

Bush announces Greek-Turkish talks

WASHINGTON (AP) — U.S. President George Bush announced Friday that Greece and Turkey had tentatively agreed to meet in September to discuss their "disputes" over Cyprus. "And I'm pleased ... that Prime Minister [Constantine] Mitsotakis and President Turgut Ozal have informed me that Greece and Turkey have agreed to attend a meeting concerning Cyprus," Mr. Bush told reporters. This meeting would be well prepared and both convened and chaired by the United Nations secretary general under his Seraphim Cotsopoulos mandate. Greek and Turkish leaders will work in support of the secretary general's efforts in advance of the meeting, planned for September in the United States, provided that adequate progress is made narrowing differences before then." Mr. Bush, on a recent visit to Greece and Turkey, had appealed for the two nations to resolve their 17-year-old dispute over Turkish occupation of part of Cyprus. He said the meeting announced Friday was one of two peace-oriented byproducts of the Gulf crisis effort, citing the Middle East peace talks as the other (see related story on page 2).

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Abu Nidal's group denies it banked with BCCI

NICOSIA (R) — The Palestinian group led by hardliner Abu Nidal denied Friday it had ever deposited millions of dollars with the scandal-hit Bank of Credit and Commerce International (BCCI). A BCCI employee said in an interview broadcast Monday that the Fateh Revolutionary Council, led by Abu Nidal, had banked with BCCI since 1981 and several years ago had more than \$50 million on account in BCCI's London branches. "This information is baseless," the group said in a statement sent to Reuters in Nicosia. "These reports are fabrications and allegations... aimed at finding pretexts for moving against the bank." The provocation of this issue came from the Zionist entity (Israel) and European elements juked to it."

Musa visits Italy

CAIRO (R) Egyptian Foreign Minister Amr Musa flew to Italy Friday for a day of talks on efforts to convene a U.S.-proposed Middle East peace conference. Mr. Musa's visit was in response to an invitation issued by his Italian counterpart Gianni de Michelis, the Middle East News Agency said. The Egyptian foreign minister, a key player in any Mideast talks, is expected to head for Turkey Saturday to attend an annual foreign ministers' meeting of the Organisation of the Islamic Conference (OIC).

U.S.-engineered Gulf war — Iran

NICOSIA (AP) — The Gulf crisis was engineered by the United States to improve its own political and economic conditions, a senior Iranian cleric said Friday, the first anniversary of Iraq's invasion of Kuwait. Tehran Radio quoted Ayatollah Misravi Ardebili as saying that the crisis was guided "by Washington to realize its arrogant interests in the region and the world. With this issue, and with its military expedition in the region, America repaired its own economic and political problems."

Iran to hold talks with Saudi Arabia, Syria and Turkey

NICOSIA (R) — Iran will soon hold a four-way meeting with Saudi Arabia, Syria and Turkey, Iranian Foreign Minister Ali Akbar Velayati said Friday. The Iranian news agency IRNA, reporting Mr. Velayati's remarks in Istanbul, gave no details about the purpose of the meeting which would bring Tehran together with three key members of the U.S.-led coalition against Iraq. Mr. Velayati arrived in Istanbul Friday to take part in a foreign ministers' meeting of the Organisation of the Islamic Conference (OIC).

Atlantis in orbit

CAPE CANAVERAL (AP) — The shuttle Atlantis thundered into orbit Friday with five astronauts and a communications satellite that will expand NASA's switchboard system in space. The 100-ton shuttle roared from its seaside launch pad at 11:02 a.m. (1502 GMT), blasting flame from twin booster rockets. It tore through a hazy sky and headed out over the Atlantic Ocean. Two minutes into the flight, the solid rocket boosters dropped empty into the ocean as planned. The shuttle reached its 294-kilometre-high destination 6½ minutes later on the thrust of three main liquid fuel engines. The flight had been delayed three times in the past two weeks, twice by bad parts and once by bad weather.

Bashir in London

LONDON (R) — Sudan's military ruler Omar Hassan Al Bashir is in Britain for medical checks and a rest lasting up to two weeks, the Sudanese embassy in London said Friday. Mr. Bashir, who cut short a visit to northern Sudan last week for health reasons, was suffering pain in his joints and doctors had advised him to take it easy, an embassy spokesman said. "One of the main purposes of his trip is to have a rest," the spokesman said. "He will probably be back at work in two weeks' time."

King says 'unprecedented progress' in peace efforts but much still to be done

Baker hopes Palestinians will pick up opportunity for peace

By Nermene Murad
Jordan Times Staff Reporter

AMMAN — His Majesty King Hussein said Friday that "unprecedented progress" has been made in efforts to convene a peace conference on the Middle East but added that much work still needed to be done before the concerned parties arrive at the negotiating table.

At a joint press conference with U.S. Secretary of State James Baker, the King said that Jordan was still prepared to provide an "umbrella" for Palestinian participation through a joint Jordanian-Palestinian delegation and expressed hope that there would be progress in that direction.

Mr. Baker said that during his meeting with Jordanian officials in Amman and Palestinian delegates in Jerusalem he had "made the point, in our view, that Palestinians have more to gain from a viable and active peace process than almost anyone else."

"We also believe that Palestinians have the most to lose if there is no peace process," he added.

"We are very hopeful that the Palestinians will determine that they want to be part of this process, take advantage of His Majesty's offer of an umbrella in the form of a joint Palestinian-Jordanian delegation," he said.

The King said he hoped the Palestinians "would decide on their path in efforts to a comprehensive settlement of the Palestinian-Israeli dimension."

King Hussein said Jordan had been in "constant dialogue with our Palestinian brethren, on a very large scale... and I hope that we'll make progress."

"The time has come, hopefully, for the Palestinians to decide, in view of all the circumstances and the opportunity that the moment presents for their participation in efforts for a comprehensive settlement," the King said.

But both the King and Mr. Baker declined to discuss the details of the progress on the joint delegation issue saying that they preferred not to conduct their negotiations through a media.

The King, however, pointed out that he believed "the progress made during this very short space of time has been unprecedented."

cended."

In Washington, President George Bush Friday urged Israel and Palestinians to resolve their disputes over representation in peace talks.

Mr. Bush spoke to reporters in the White House Rose Garden a day after returning from his summit with Soviet President Mikhail Gorbachev, at which the two nations signed an historic arms treaty.

"We do not want to miss this opportunity for peace," Mr. Bush said of the Middle East conference. "The big news and the important news is that there seems to be agreement on this conference."

In Amman, the King and Mr. Baker also indicated that there were moves to improve bilateral relations but declined comment on the exact details of the improving ties pending a meeting between Mr. Baker and Prime Minister Taher Masri over a working breakfast today (Saturday).

"I believe that somehow, I hope, we are on the way towards a return to the kind of relationship that the U.S. and Jordan had in the 60s, and maybe in the

early part of the 60s," King Hussein told reporters gathered at Al Hasbani Palace at the end of three hours of talks with the U.S. secretary of state.

"Tomorrow I will have a working breakfast with the prime minister during which we will go into further details on bilateral issues," Mr. Baker said.

But he told reporters that he had told King Hussein, during their meeting Friday, "that (President George Bush) had executed the determination required to our legislation to make it possible to reinstate some of the programs that we have ongoing and which were suspended by legislation."

Although Mr. Baker did not say that American aid to Jordan, frozen during the Gulf crisis, had been released his answer was believed to contain such an announcement.

Mr. Baker arrived here Friday afternoon from occupied Jerusalem on the second leg of a regional tour which will also take him to Tunisia, Morocco and Algeria.

Mr. Baker praised King Hussein's efforts and contributions to the peace process saying that they

were very very helpful."

"Those of us who are interested in creating a viable peace in the Middle East appreciate the contribution you have made, Sir, over the days and weeks, some of the positions you have taken and statements you have made. I think that they will be very very helpful in moving the process forward."

Mr. Baker said he had briefed the King on the details of his meetings with Israeli officials and Palestinian leaders but did not reveal the content of these talks.

Israel has given the U.S. a conditioned "yes" to an invitation to attend a peace conference on the Middle East but Mr. Baker failed to win Palestinian approval for his proposals.

He said he had four hours of "very serious" and "intensive" discussions with the three Palestinian leaders during which he "made a number of points and suggestions."

He said he believed that the Palestinians will give "consideration" to his suggestions but that although he was pleased with the meeting he still felt that there was

(Continued on page 5)

Talabani: Autonomy talks face problems

PARIS (R) — Talks with Baghdad on Kurdish autonomy have hit problems but Iraqi President Saddam Hussein wished to reach an agreement, Kurdish leader Jalal Talabani said in an interview published Friday. Mr. Talabani told the daily *Le Figaro* he met President Saddam last month. "I did not find him aggressive. On the contrary, I found he wished to reach an agreement with the Kurds," he said. Mr. Talabani said negotiations had found some common ground but his problems when they came down to details. They stumbled on democratization, the extent of autonomous powers and of the autonomous area and the right of Kurds to have relations with foreign governments. "Kurds will never break off of talks. If they are broken off, it will be by the Iraqis and they will have to bear the responsibility," Mr. Talabani said. Mr. Talabani, who visited Paris this week to ask France to help build refugee camps, said there was no more room for war between Baghdad and the Kurds. The Kurds began talks with the Iraqi government in April shortly after the collapse of their post-Gulf war rebellion sent up to two million refugees fleeing to the borders with Turkey and Iran.



Jordanian and American sides headed by His Majesty King Hussein and Secretary of State James Baker hold talks in Amman Friday (photo by Yousef Al 'Allan)

King hopes signing of START positive for peace process

AMMAN (J.T.) — His Majesty King Hussein Friday sent separate messages to U.S. President George Bush and Soviet President Mikhail Gorbachev congratulating them on their signing in Moscow on Wednesday of the Strategic Arms Limitation Treaty (START) and welcoming the superpowers' announcement that they would co-host a peace conference on the Middle East in October.

The Jordan News Agency, Petra, said the King voiced hope that the signing of START will reflect positively on efforts for peace all over the world, particularly the Middle East.

The King expressed satisfaction with the two leaders' joint announcement of a Middle East peace conference, the agency added.

Petra also reported from Tunis that the Palestine Liberation Organisation (PLO) had welcomed, in principle, the superpowers' call for a Middle East peace conference.

Petra quoted a PLO spokesman as saying that while the

(Continued on page 5)

Palestinians meet Baker, seek clarifications on U.S. proposals

OCCUPIED JERUSALEM (Agencies) — After a four-hour meeting Friday with U.S. Secretary of State James Baker, Palestinians asked for clarifications from the Americans before Palestinian delegates would agree to join a Middle East peace conference.

Two Palestinians who met Mr. Baker made clear that the decision would be made by the Palestine Liberation Organisation (PLO) and that the PLO must name the delegation to peace talks.

Their statements came a day after Israel agreed to join in the negotiations on the condition that a solution could be reached over differences on which Palestinians would attend. One Israeli demand is that the PLO play no role.

Faisal Husseini, a leading pro-PLO figure, said the Palestinians would work with U.S. officials to clarify the American stand on the issue of Palestinian representation.

"I can say that we are working on everything to move the obstacle which was put in front of us," he said.

Hanan Ashrawi, also a pro-PLO figure, said agreeing to send a delegation amounted to more

than submitting names.

"It's a question of principles and who has the right to form the Palestinian delegation," she said. "This is only the PLO and the Palestinian people. Who has the right to interfere, to dictate, to veto? Nobody."

Ms. Ashrawi added she was certain the PLO leadership in Tunis "will put together a delegation that will admit Palestinians' maximum rights and interests and will serve us in the best possible way."

She said that the Palestinians wanted a written agreement with the Americans similar to one that is being worked out with the Israelis.

She read a statement from the PLO that she said represented the Palestinians' views.

The major points were: Israel must withdraw from all occupied territories, Palestinian participation must be based on a PLO decision, Arab Jerusalem must be included in the talks, and all Jewish settlement activity must cease.

"Of course I'm more optimistic but I recognise that there is some work to be done, and we're setting off this morning to begin that work," he told reporters.

Asked if there was room for negotiation on the one issue apparently blocking a conference — the make-up of a Palestinian delegation to the talks — Mr.

(Continued on page 4)

Sharon launches anti-peace campaign

AMMAN (J.T.) — The government has issued a White paper clarifying Jordan's position on the Gulf crisis and describing the Kingdom's stand during the crisis, one year after Iraq's invasion of Kuwait on Aug. 2, 1990.

The White paper, issued on the first anniversary of the invasion, aims at clarifying certain misperceptions of the Jordanian stand on the issue, according to a Ministry of Information press release.

The 78-page White paper describes the Jordanian government's policies "during the various stages of the Gulf crisis between the summer of 1990 and early 1991 with related documentation from official and public sources," the press release said.

It added that in view of the Gulf crisis and its traditional moderating role within the Arab World in addition to its membership of the Arab Cooperation Council (ACC) linking Jordan, Egypt, Iraq and Yemen, over which His Majesty King Hussein presided in 1990.

The paper also presents a factual report on activities undertaken by His Majesty King Hussein and senior Jordanian officials towards securing a peaceful resolution of the conflict through pursuing an "Arab solution in conformity with the United Nations Charter," it said.

Following is the full text of the press release issued by the Ministry of Information.

'White Paper' explains Jordan's stand, actions to defuse Gulf crisis

WITH the outbreak of the Gulf crisis on Aug. 2, 1990 attention was focussed on the region as a whole and, more particularly on Jordan, whose position regarding the crisis elicited differing opinions.

Some judgments passed on Jordan led to it being subjected to pressures bordering on punishment.

It is with the intention of clarifying certain misperceptions, that the government of the Hashemite Kingdom of Jordan has published a White Paper, now that a year has lapsed since the eruption of the crisis. The White Paper contains a description of Jordan's policies during different phases of the Gulf crisis between the summer of 1990 and early 1991 and refers to documents from both public and private.

The paper presented a factual report on activities undertaken by His Majesty King Hussein and senior Jordanian officials towards securing a peaceful resolution of the conflict through pursuing an "Arab solution in conformity with the rules of the United Nations Charter relating to the peaceful settlement of regional disputes (Chapters 6 and 8)." A chronology of events and Jordan's reaction to them is also presented starting from the beginning of Iraq's invasion of Kuwait on Aug. 2, 1990 underlining a neutral position which strove to "maintain a delicate balance between respect for

(Continued on page 5)

Iraq rejects French draft on partial lifting of oil embargo

Cheney threatens renewed military strike

NICOSIA (Agencies) — Iraqi Foreign Minister Ahmad Hussein Khudayer on Friday rejected a French draft proposal to the U.N. Security Council that would allow Iraq to sell some oil to purchase badly needed food and medicines, the Iraqi News Agency (INA) reported.

Mr. Khudayer said the proposal did not lift the U.N. trade embargo imposed on Iraq following its invasion of Kuwait on Aug. 2 last year.

It also violates Iraq's sovereignty and constitutes a flagrant interference in Iraq's internal affairs, Mr. Khudayer told the agency, monitored in Nicosia.

The draft proposal would grant Iraq an exemption to the U.N. Nations in New York Thursday night.

Western diplomats there said formal agreement on the text was expected later Friday, or in the next few days.

They said there was broad agreement on the key issues of a limited oil sale by Iraq to meet the humanitarian needs of the Iraqi people, though the precise details remained to be worked out.

There was no official comment from China or the Soviet Union.

Burly diplomats said China apparently believed that the French draft was too restrictive, provided for too great a U.N. role and did not allow Iraq to distribute the supplies.

Western diplomats said the limited oil sale did not mean a relaxation or lifting of the economic sanctions imposed on Iraq.

France's minister for humanitarian affairs, Bernard Kouchner, has said he does not believe Iraqi statements that the trade embargo is causing starvation or epidemics in Iraq.

"I really believe there are neither starvation nor epidemics in Iraq. Saddam Hussein is making fun of us," Mr. Kouchner told the daily *Le Figaro* Thursday.

But he also said Iraqi children should not suffer the consequences of Iraq's invasion of Kuwait and that the U.N. embargo should be lifted to allow some humanitarian aid.

Defense Secretary Dick

(Continued on page 5)

Jordan did whatever it could during Gulf crisis, parliamentarians say

By Mariam M. Shahin

Jordan Times Staff Reporter

AMMAN — As the world fears that the first anniversary of the Iraqi invasion of Kuwait Friday, leading members of Jordan's parliament said that the Kingdom's position throughout the Gulf crisis and the ensuing war remained the only position that the country people and leadership could have taken.

The failure

Khaled Al Hassan says joint delegation only viable option

By Sami Atiyeh
Special to the Jordan Times

AMMAN — A leading Palestinian official has defended the idea of a joint Jordanian-Palestinian delegation, explaining the advantages of such a delegation at the Middle East peace conference scheduled in October and urge the Palestine Liberation Organisation (PLO) to make its decision on the issue soon.

Khaled Al Hassan, a founder of the mainstream Fatah faction of the PLO and head of the foreign affairs committee of the Palestine National Council (PNC), said that a joint delegation pushes the ceiling higher for negotiations with Israel.

"The Jordanian-Palestinian delegation will prevent the unilaterality of the Palestinian delegation from inside (the occupied territories), whose ceiling of negotiations would be self-rule," explained Mr. Hassan.

The joint delegation could make Security Council Resolution 242 and exchanging land for peace "the ceiling for negotiations," he added.

Mr. Hassan, an outspoken controversial figure in the Palestinian scene for opposing the PLO position during the Gulf crisis, told a small crowd at the Royal Cultural Centre Thursday evening that when Jordan disengaged itself administratively from the West Bank and Egypt did the same with the Gaza Strip, the occupied territories "became without an heir from the political point of view."

"In the natural reality of things, this is not so because the natural law is that the people of the country are the owners of the country," Mr. Hassan clarified cautiously.

"But with the political reality, Israel began to claim that Palestine first belonged to the British then to Jordan, which left it for Israel (after the Jordan's disengagement)," he analysed.

The Palestinian official said that even when the PLO declared independence, Resolution 242 does not apply to the PLO, but to the actual occupied territory.

"With the joint delegation, the political (not the legal and administrative) ties will return in order to achieve the Israeli withdrawal, and then the creation of a Jordanian-Palestinian confederation," Mr. Hassan said.

He stressed that the only way for the PLO to enter the peace process was through the joint delegation because the organisation "rejected even before the excuse of its position on the Gulf war."

He added that the PLO's isolation increased with the Gulf cri-

sis, especially from Europe and the Arab countries which were allied with the U.S. during the war.

Mr. Hassan urged the PLO to take the "right" decision soon on the joint delegation.

"The legitimacy of the PLO now is based on its legitimacy from the inside (Palestinians in the occupied territories). Those on the inside are under occupation and their demand is an end to occupation. If they see that a PLO rejection (of the peace proposal) will secure the occupation, it is because Jordan will not negotiate the Palestinian question, but it will be negotiated by Palestinians," he said.

He criticised that sometimes decisions take too long before they are made, and that even if they were the right decisions but came at the wrong time, the decision then has no value.

Mr. Hassan explained that the joint delegation will be comprised of two delegations who represent two parties — Jordan and Palestine — but who have a common objective based on an agreement of the dynamics of the mission of the delegation.

"The final signatures on whatever is agreed upon is not done by the head of the joint delegation, nor by the members of the delegation, but by the governments from which the delegation represents," he explained, adding that Jordan was officially committed that if it attends the conference alone, it will only discuss Jordan.

Mr. Hassan stressed that he was against an independent Palestinian delegation to negotiate bilaterally with Israel "because it means stopping this delegation from all possibilities of success or even an honourable failure."

He recalled the Camp David peace accord between Egypt and Israel, saying that although the late President Anwar Sadat had made so many concessions, Israel kept rejecting them.

"For 13 days, the two did not agree on one sentence, but in the end, the Americans came in with an agreement that was ready and asked the two to sign them," said Mr. Hassan.

The current realities, he added, must be understood and dealt with in the right way.

"As the son of Haifa, I should reject this whole thing. But what happens if I do? There is a colonial (Israeli) occupation. There were 50,000 Jews, then one million, and then 3.5 million Jews. There are two million Jews on the way from the Soviet Union, other than the Falashas, those from Yugoslavia and Albania. They're taking the land, farming it, and there are three generations of Jews born there,"

Mr. Hassan said.

He continued: "They (Israel) are supported by America. They have weapons we cannot fight. He Arabs now reject the military option, and only state that rejected negotiations (Syria) now accepted it. Where do we go?"

Mr. Hassan, who was criticised by some of the attendants at his lecture for his outspoken position, commented that the idea of the alternative homeland for Palestinians was Israel's measures of forced emigration of Arab residents from their land, and not the joint Jordanian-Palestinian delegation.

"Our people are emigrating everywhere in the world. There are 70,000 Palestinians in Germany alone," he said. "We have to understand all these matters and know that now we have a chance to return Arabin to the West Bank and Gaza."

The official also cited another reality that without Arabs and Arab solidarity, the PLO "could not move in the international arena" and that the Palestinian problem could not be solved without a decision of "those controlling international politics."

"International politics and pressure are stemmed from economic interests, which include energy resources, large consumer markets, financial agreements and alliances; and the Palestinian people do not have these basics, but the Arabs do," commented Mr. Hassan.

"We have no solidarity and no alliances; we live in an era that lacks a balance of power, and an absence of a political and cultural balance," he stated, adding that these facts must be considered when taking a decision.

He added that one should not fall in the hands of enemy tactics, as he put it, referring to the issue of Palestinian representation from East Jerusalem at the conference.

"We weren't the ones who brought up the issue of Jerusalem. Will the Palestinian or Jordanian delegation ignore the issue of Jerusalem during negotiations? Does it mean that we get Jerusalem back if someone is present from Jerusalem and if there isn't, it's gone?" Mr. Hassan added, adding that that was not necessarily the case.

He reiterated that the given and realities must be considered and understood if one was to move ahead in life and to think clearly, and urged moving way from dreams.

"I don't mean that we should surrender to reality," Mr. Hassan said, "but for reality to be a source of thought in order to know how to act and to know what can be taken and what cannot."

Members of the ruling Al Sabah family and other government officials fled into exile. The invasion triggered a mass exodus that cut the emirate's population to less than one million — half its pre-invasion level.

Kuwait Radio lamented the invasion by the "despot of Bagdad" and urged Kuwaitis not to forget their martyrs.

Kuwait City emerged from the invasion with mainly superficial damage and is returning to normal.

Shopping centres are packed with customers after sunset when temperatures become more bearable. Fleets of expensive cars take to the highways. Men in flowing robes and girls in Western clothes crowd the streets in search of consumer goods.

Supermarkets are filled to the brim with all types of foreign products imported tax free.

Apart from the blazing oil-wells, the chief reminders of the six-week Gulf war are the wrecks of Iraqi tanks and other equipment littering the highway to the Kuwait-Iraq border.

A year after the Iraqi invasion, Kuwait is still a super-rich country lavishing cash on citizens and moving rapidly towards economic recovery.

Kuwait, whose oil exports were choked off by the invasion, exported its first cargo of crude last week and hopes to export 400,000 barrels of oil a day by the end of the year.

Kuwaitis mark anniversary of invasion

KUWAIT (R) — Kuwaitis marked the first anniversary of the Iraqi invasion Friday by firing rounds of ammunition into the air and shouting Allah Akbar from rooftops and minarets.

Tracer bullets lit up the night sky while young men, driving sleek limousines and sports cars, cruised around Kuwait City sounding their horns and singing patriotic songs.

Muezzins summoned the faithful to prayers from minarets at midnight, drawing cries of Allah Akbar across the city of high-rise buildings and wide avenues.

Despite impromptu celebrations overnight, the government kept a low profile and the official media carried mournful messages recalling the invasion.

No official ceremonies or demonstrations were planned. Shops and government offices were closed Friday.

The streets were all but empty after sunrise, when the temperature starts its quick climb to well above 40 degrees Celsius (105 Fahrenheit), apart from mainly Asian foreign guest workers heading to menial jobs.

"We just want to forget what happened, that is why there are no parades or anything," said one Kuwaiti man.

Kuwait City basked in bright sunshine, a reminder that one of the worst legacies of the invasion — blazing oil wells blown up in the last days of the war — was gradually being brought under control.

Smog and soot from the fires shut out the sun in the weeks following the Feb. 28 liberation of the emirate by a U.S.-led alliance of Western and Arab countries.

Firefighters have capped more than 250 of about 600 wells dynamited or torched, sharply reducing the level of choking pollution.

Conspicuous by their absence from the streets were members of Kuwait's tiny police force and the army which was overrun by the Iraqi invasion force in the early hours of Aug. 2, 1990.

Kuwaiti residents awoke a year ago to find Iraqi tanks and troops in full control of the capital after a lightning attack that stunned the world and sent world oil prices soaring.

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Kuwait's image irredeemably dented

KUWAIT (R) — A year ago, the sight of tiny Kuwait crushed under the boots of Iraq's army outraged the world and created a wave of sympathy which helped the emirate regain its freedom.

But no sooner was the victim pinched from the jaws of the aggressor than vengeful Kuwaitis threw away much of the goodwill of the world.

The Kuwaiti authorities compounded the damage with a series of controversial trials for alleged collaborators. The rules of evidence were lax and the sentences were harsh.

Western liberals and Arab bairiners joined in a chorus of condemnation. "Was this the Kuwait our countrymen fought to restore?" Westerners asked.

The uproar has abated but the events of the first three months after the allied victory over Iraqi forces have left a bitter taste that will linger for years.

Relations between Kuwaitis and Palestinians, the main victims, are still tense. Tens of thousands of Palestinians, some of them born in Kuwait, continue to abandon their adopted homeland for fear of maltreatment.

Bedouins, stateless immigrants deprived of citizenship for decades by Kuwait's strict naturalisation rules, languish in transit camps on the Iraqi-Kuwaiti border, full of hatred for the Kuwaiti establishment they once served.

Some Kuwaitis abroad, pained

by the (Kuwaitis) employed methods learnt from the Iraqis, killing and torturing at a random," said one resident who stayed in Kuwait during the occupation.

The restored Kuwaiti government had declared martial law even before it went home from exile. The 5,000-strong army bad sweeping powers of search and arrest, the press was muzzled and public gatherings were outlawed.

The government began arresting thousands of Palestinians, Iraqis and bedouins on the grounds they posed a security risk.

"Victims have been gunned down in public or taken away, tortured and killed in secret. Hundreds ... were plucked from their homes, taken from streets or arrested at check-points, many to be tortured in police stations, schools or other makeshift centres," Amnesty International said in a report.

The victims were largely Palestinians, suspected of helping the Iraqis and informing on members of the Kuwaiti resistance.

"The scale and persistence (of the abuses) threaten to leave an indelible stain on Kuwait's human rights record," added the London-based organisation.

The Kuwaiti ruling family, by appearing to drag its feet on democratic reforms which might undermine its privileges, has contributed to the image of a Kuwait which failed to learn the lessons of the Iraqi invasion.

Bnt the worst damage to Kuwait's international image was done in the first days and weeks after allied troops, led by the United States, chased out Iraqi forces on Feb. 28.

Gangs of youths roamed the streets hunting down and killing Iraqi soldiers and Palestinians.

Palestinians say that police harassment has declined in recent months but that the post-war scars will never heal.

"We feel bitter and betrayed. We spent our life building this country with our labour. They are uprooting us as if we invaded Kuwait," said a Palestinian intellectual.

Crown Prince Sheikh Saad Al Abdulla Al Sabah commuted to life imprisonment the death sentences on 29 convicts. Kuwait also promised to look into cases of miscarriages of justice.

The government abolished martial law in June and has promised to hold elections some time next year.

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Fire breaks out again in Tehran bazaar

NICOSIA (AP) — A fire in the Tehran bazaar burned large quantities of rice and sponges Thursday in the second such blaze in four days, the Islamic Republic News Agency (IRNA) reported.

The agency said firefighters rushed to the scene within minutes and fought for two hours to smother the blaze. It did not say whether anyone was killed or injured. Firefighters fought for seven hours to put out a fierce blaze in another part of the sprawling bazaar last Monday, in which tens of millions of dollars of fabrics and carpets were burned. Iran said the fires were being investigated, but did not indicate whether arson was suspected.

The bazaar, the capital's main commercial district, is a labyrinth of brightly lit shops and stalls. Bazaar merchants who supply the city with almost all commercial goods.

Rows of unmarked graves in Iraqi cemetery outside Kuwait City testify to these acts of freelance murder. Scores of unknown victims were buried there, some in mass graves.

Other victims were dragged off to jail to be flogged, electrocuted or burnt with acid, human rights organisations say.

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Supermarkets are filled to the brim with all types of foreign products imported tax free.

Apart from the blazing oil-wells, the chief reminders of the six-week Gulf war are the wrecks of Iraqi tanks and other equipment littering the highway to the Kuwait-Iraq border.

A year after the Iraqi invasion, Kuwait is still a super-rich country lavishing cash on citizens and moving rapidly towards economic recovery.

Kuwait, whose oil exports were choked off by the invasion, exported its first cargo of crude last week and hopes to export 400,000 barrels of oil a day by the end of the year.

Invasion anniversary passes quietly in Baghdad

BAGHDAD (AP) — The anniversary of Iraq's invasion of Kuwait passed quietly in Baghdad Friday.

The only official recognition came through newspaper columns justifying the attack and repeating conspiracy theories of Iraq as victim of an American-Zionist plot.

Most Iraqis simply want to forget what they consider a tarnished page in the history of their country. They let the day slip by with scarce consideration, except to reflect on how things might have been.

People are concerned now with secondary effects of their government's takeover of Kuwait, mainly the increasing difficulty of making ends meet, the result of sanctions that continue to strangulate the economy.

"There's no food, no job," said Jamal Hamid, who was walking down the sidewalk along Saadoun Street with his wife and three small children.

A year ago, loudspeakers blared the news of the invasion, saying that Iraq had reclaimed a land long-considered to have historically belonged to it.

Many people were shocked, and worried about the consequences, but plenty of them were in a celebratory mood, said Abdul Karim Jassim, a storekeeper.

"Iraq was led to this, to go into Kuwait, because of the economic situation," he said.

"He said Iraq had only its oil to repay a tremendous debt from the 1980-88 Iran-Iraq war, yet the Kuwaitis and other Gulf nations nations flooded the market with oil."

The storekeeper said most Iraqis anticipated the reaction from the West, although they did not believe it would lead to war.

Even then, he said, a united Arab nation would have helped. "To be honest, if people were on our side in a correct way maybe we would have won," he said.

Jordan, S. Korea discuss ties

AMMAN (J.T.) — A six-member South Korean-Jordanian parliamentary delegation now on a visit to Jordan today meets with the speakers of the Senate and the Lower House of Parliament to discuss Jordanian-Korean relations and Middle East issues.

The delegation, led by Dongin Lee, will also hold discussions at the Arab Potash Company (APC) on Jordanian potash exports to South Korea.

The delegation members, who arrived in Amman Thursday on a four-day visit, Friday toured the archaeological sites in Jerash and the Dead Sea.

The first government official to meet the delegation, Thursday was Foreign Minister Abdulla Eusou, who discussed Middle East developments and current efforts to reach a lasting peace.

Jordanian-South Korean cooperation in a number of fields and the role of the Jordanian-Jordanian Friendship Society in promoting relations were reviewed at the meeting.

Mr. Dongin Lee and his accompanying delegation are due to meet with Prime Minister Taher Masi Sunday.

Jordan marks Queen Zein's birthday

AMMAN (Petra) — Jordan Friday marked the birthday of Her Majesty Queen Zein Al Sharaf, the Queen Mother.

On this happy occasion, the citizens of the Hashemite Kingdom of Jordan extend their warmest wishes and congratulations to Her Majesty and proudly remember her untiring devotion and sacrifice to the Kingdom.

Her Majesty has embodied the greatest sense of motherhood by selflessly devoting her entire life to her eldest Son His Majesty King Hussein, her sons Their Royal Highnesses Prince Mohammad and Crown Prince Hassan and her daughter Her Royal Highness Princess Basma.

The Queen Mother has also contributed to the strong women movement in Jordan, leading the way as a staunch defender of women's rights.



The Queen Mother contributes effectively to social and humanitarian services and gives particular attention to charitable organisations and voluntary institutions.

She was president of the first women society in Jordan in 1944 and since then she has spared no effort in providing support for all voluntary and humanitarian causes in the country.

Jordanians think the Gulf crisis had a role in the ensuing peace process

By Serene Halasa
Special to the Jordan Times

AMMAN — Friday, Aug. 2 marked a year since Iraq invaded Kuwait, triggering a series of dramatic changes in the region, including a major rift in Arab banks.

In a random survey conducted by the Jordan Times, people interviewed had a range of opinions concerning the crisis and the war that followed but seemed to agree that the crisis, although initially was not linked to the Palestinian problem, had in actuality pushed it to the top of the international agenda.

"Of course the Gulf crisis moved the conflict, the peace process that we are seeing now is a direct result of the crisis," a local artist, Abdul Halim Abu Saud, 38, told the Jordan Times.

"I believe that by destroying Iraq, the United States felt it is capable of implementing its new world order, which might include solving the Arab-Israeli conflict," Yehia Mahmoud Afghani, a 41-year-old merchant in downtown Amman, said. "But I think that the solution to the problem will

be according to American terms."

Another merchant, Badr Aldine Bokhari, said he believed that the "linkage" that Iraqi President Saddam Hussein stressed during the crisis and was rejected by the American-led world community is "the truth that they (the world community) ignored but have no choice now but to face it."

"The peace process became world news following the Gulf crisis," Yousef Khatib, a 29-year-old teacher, said. He added that although he was in Yemen during the crisis, he felt that prior to the eruption of the crisis the Arab-Israeli conflict was "swept under the carpet" and that "the crisis had resurrected the Palestinian problem."

As for the lessons learnt from the crisis, the general consensus was that the Arab World had failed to show solidarity by not trying to contain the conflict within an Arab context and "bowing" to pressure to invite foreign troops to the region. The majority also reflected a certain fear of a new type of colonialism that

would haunt the Arab World for some time to come.

"We learnt a number of lessons but the most important is that we, Arabs, should always be careful of any foreign intervention," Mr. Afghani said. "We saw how quick the West ganged up to destroy Iraq, and this should be a lesson for us to remember," he added.

"The Gulf crisis split our ranks. It was also an American message to the entire world, especially to the developing and Third World countries preparing them for the American new world order," Mr. Bokhari said.

"I hope and pray to God that the Arabs will realise the dangers of that and wake up before it is too late."

"The crisis taught us to start to depend on ourselves economically and politically," Mr. Khatib said. "And I hope that we will take advantage of that so we don't fall in the trap twice."

When asked about Jordan's position during and after the crisis, those questioned agreed that it had taken "an honourable stand for peace."

"We are like all the rest of the Third World countries; we are dictated upon by the stronger nations, and if the Soviet Union agreed to the new world order how can we — a small nation — fight it?" Mr. Afghani asked. "But we have certain principles that we don't compromise and our position during the crisis emphasised that," he added.

"We took a courageous and honourable stand for peace even though we are a small and poor country, and this made me very proud to say I am a Jordanian," Mr. Bokhari said.

"I don't agree with those who say that we were not weakened by our position, because we were," Mr. Khatib said. "I believe that aside from Iraq, Jordan and Yemen are the two countries that were most affected by the crisis."

He said that Jordan, like Iraq, faced an economic embargo that further weakened its already weak economy. "I don't believe we took the wrong stand, I believe that our stand was misinterpreted and misunderstood."

Updating of trade terms expected to minimise possibility of error

By Nur Sati
Special to the Jordan Times

AMMAN — Jordan National Committee of the International Chamber of Commerce (ICC), in cooperation with the International Trade Centre (UNCTAD/GATT), Wednesday organised a seminar on "incoterms 1990," a newly revised set of rules and trade terms for the interpretation of the most commonly used terms in foreign trade and contracts.

With Europe 1992 approaching, with economic barriers falling and Western Europe and the Soviet Union adapting to capitalist economic regimes and with computers becoming a necessary productivity tool, the ICC saw it was time to revise its international commercial terms that rule the relations between buyers and sellers.

According to Raymond Battersby, director of procedures at the Simpler Trade Procedures (SITPRO), another reason that prompted the revision was "that there were two major defects with incoterms 1980."

They did not take into account the modern transportation techniques and did not cater for electronic data interchange, "which in the last four to five years assumed greater importance in commercial and government trading," Mr. Battersby, who spoke at the seminar, said.

About 120 bankers, businessmen, lawyers and transport and shipping companies participated in the seminar.

Discussions included topics such as explaining individual terms, obligations for buyers and sellers and incoterms in the future.

The official release of incoterms 90 was July 1 1990 and

trading companies are expected to adopt them immediately. "The target date of enforcing their usage should be as soon as possible," Mr. Battersby said.

The implementation of incoterms will eliminate uncertainties of different interpretations of a particular term in different countries or at least reduce it to a considerable degree. Furthermore, according to Mr. Battersby, incoterms aim to increase efficiency, cost saving and competitiveness.

"What we are saying is people," said Mr. Battersby, who is on the trade terms working party, "is that if they build in incoterms 90 into their sales contracts, then there will be a clear definition of what is required; for example they will know what their costs are and when delivery has been effected."

As for the enforcing of these trade terms worldwide, another speaker, Dave Green, manager-international and customs procedures for the Freight Transport Association in the United Kingdom, said that the ICC has national organisations in many countries, including Jordan, where they bring in experts to elaborate on the new terms and procedures.

Mr. Green and Mr. Battersby have already been to many countries educating concerned people on the new terms. "It is a major and long process, but over time, that message will come across to the trading companies," Mr. Green said.

The most important difference between the amended incoterms 90 and the incoterms 80 is that they now cater for the use of electronic data interchange rather just paper documents, Mr. Green told the Jordan Times. "We have also tried to make the terms more

appropriate to contemporary trading practices."

For example, he said, free on truck and rail are railway terms. But they have been widely misused and were applied to road transport. Another term, FOB aircraft (free on board) "was nonsense," Mr. Green, said. "Because it required you to pass the goods across the ship's rail on an aircraft, which clearly does not exist on an aircraft."

Another factor that tends to render the revision more appropriate to today's environment is the widespread use of technology.

In the last few years, Mr. Green added, "We have seen a considerable move to the use of electronic means of transmission data rather than paper documents and that is certain to continue over the next decade."

Incoterms 90 thus comprises a set of internationally agreed standards for the interchange of structured data as related to the trading environment. "In this way the possibility of miskeying data that is being reinput to a computer and the possibility of transcription errors are eliminated if the data of one computer is directly transmitted into the second computer."

Since incoterms were first introduced in 1936, "there have been substantial changes in the way transportation has been dealt with and in the way documentation has been produced," Mr. Battersby said.

Thus, incoterms are modified often. "I would hope that the international trader can sit happily knowing that this revision (of 13 incoterms) can last for some time and that traders understand that incoterms are important commercially, whatever the circumstances," he added.

Mohammad Al Sahli, the father who made an appeal on the radio for a special baby milk formula, visits the Royal Jordanian (RJ) offices to thanks for the promptitude with which it answered in providing the milk. Seeing him were RJ Director General Hussam Abu Ghazaleh (second right), RJ Vice President for Administrative Affairs Zuhair Dahman (first left) and (first right) RJ Medical Services Director Issam Salameh (Photo by Yousef Al 'Allan)

Baby milk brought in from the Netherlands

AMMAN (J.T.) — In response to His Majesty King Hussein's directives to the Royal Jordanian to provide a special baby milk formula, which is not available on the local markets, the RJ has managed to bring in four tonnes of the baby milk from the Netherlands.

The King's directives were prompted by an appeal made by the father of an infant who could not find the milk in the local market.

The man, Mohammad Al Sahli, made his appeal through a radio programme.

Upon hearing the appeal, the King instructed the RJ to ask its various offices abroad to bring sufficient quantities of milk and asked the Health Ministry to arrange for providing this milk as soon as possible.

Touched by the King's immediate response, the infant's father

called at the Royal Court where he was received in audience by the King. He thanked the King for his paternal care and for his quick response to the appeal.

The King issued instructions that Mr. Sahli be given permanent comprehensive medical insurance.

Later, Mr. Sahli called at the RJ offices where he was received by RJ Director General Hussam Abu Ghazaleh, RJ Vice President for Administrative Affairs Zuhair Dahman and by the RJ Medical Services Director Issam Salameh.

Mr. Sahli thanked Mr. Abu Ghazaleh and the RJ for its prompt action.

Mr. Abu Ghazaleh stressed that the RJ would continue to follow the path that King Hussein has charted for it, and would always play its role in serving the country.



England wins polo competition

By Munem Fakhouri
Special to the Jordan Times

AMMAN — Mike Pike won the first prize of the Best Net Score Overall Players at the Jordan Bishara Golf Course Nation's Cup Competition held Friday.

England team "B" took the title of the Best Net Aggregate Score, followed by England team "A". Ireland team came in third place.

Pike scored 82 Gross — 61 Net and 21 Handicap — to take the overall title and to win two return air ticket Amman-U.S., courtesy of British Airways.

England team "B" scored 199 Gross, team "A" scored 205 Gross and the Irish team scored 207 Gross.

The Best Net Score group win-

ner was Roy Law who scored 74 Gross — 62 Net and 12 Handicap — to win one first class return air ticket Amman-Far East, courtesy of Gulf Air.

He was followed by Japan's Yasunaga, who scored 81 Gross — 66 Net and 15 Handicap — to

win one return air ticket Amman-London, courtesy of Royal Jordanian and Col. Gardiner came in the third. He scored 96 Gross — 69 Net and 27 Handicap — to win one return air ticket to Germany, courtesy of Lufthansa.

The trophies were presented by Her Highness Princess Muna.

The event, which attracted some 38 competitors, was sponsored by Hotel Jordan Intercontinental and organised by David Harj of the British Embassy in Amman.

Jordanian banks asked to submit definite offer for BCCI branches

By P.V. Vivekanand
Jordan Times Staff Reporter

AMMAN — Jordanian banks interested in buying the branches in Jordan of the Bank of Credit and Commerce International (BCCI) have been asked to submit definite offers to the Central Bank of Jordan (CBJ) in 10 days' time, informed sources said Friday.

The CBJ move came in reaffirmation of the government's decision not to order a liquidation of BCCI operations in Jordan, noted the sources, who said the CBJ request for specific offers came during a meeting held Thursday.

Representatives of seven leading Jordanian banks attended the meeting along with representatives of BCCI and a committee appointed by the CBJ to supervise the affairs of the three BCCI branches in the Kingdom, the sources told the Jordan Times.

"The seven Jordanian banks, which have expressed interest in acquiring one or more of the BCCI branches, were asked to come up with definite individual offers for consideration by the CBJ," said one of the sources. "The Central Bank gave them 10 days to submit their offers in view of a sense of urgency in moves to settle the issue of BCCI once and for all," added the source, who preferred anonymity.

"That is of course not to justify BCCI actions or defend the bank," he asserted. "But the question nobody is asking in Jordan is why BCCI has been singled out on the international level..."

Dr. Maher Al Waked, ex-

ecutive director of the Bank of Jordan, said he also thinks that there is "some element" of truth in charges that politics were at work behind the crackdown on BCCI.

But, he said, "I don't think politics — specifically that the BCCI is a Third World-owned institution with extensive connections in the Arab World — were the major reasons behind the move against the bank."

"Other international banks may or may not be involved in clandestine deals, but the magnitude of BCCI involvement was so visible that one cannot simply categorically argue that the Arab ownership and Third World management were the only factors behind the Western seizure of the bank," he said.

Dr. Fahed Fanek, a noted Jordanian analyst, said he believed that "there is indeed truth in charges that BCCI was involved in malpractices, but the timing of the move against the bank indicates that political forces could have been at work."

"It was known for quite some time that there were banking malpractices in BCCI, but the (West) was keeping a blind eye towards it," Dr. Fanek noted. "So now the sudden crackdown on the bank points to something more than just moving against a bank with malpractices."

Part of the reason behind job non-availability is because universities in Jordan are accepting students into fields that are not required in the present job market," Dr. Hamoudah said.

The solutions suggested by Dr. Hamoudah included the adoption of programmes controlling population growth so that a balance is created between available jobs and population growth.

He also expressed the need for an alternative market where to sell Jordanian made products. "It is not enough to say that the political situation resulted in the loss of markets for Jordanian products. There is dire need to find alternatives for Jordanians to continue selling their products. Making the goods or growing

their crops creates work for Jordanians," he said.

Dr. Hamoudah also emphasised that land in itself "calls for the people of Jordan to work on it. There are many jobs available in land-related fields."

"A more pressing need to solve unemployment is to find new ways to measure the number of unemployed job-seekers here," Dr. Al Zoubi said.

He mentioned that unemployment figures reached an unprecedented 17 per cent. He also said that unemployment for women had reached 60 per cent.

"The unemployment figures for women are very high because more women are getting their education. In a way this is a good sign as only educated women can compete for jobs on the job market and only educated women would appear on the statistics. Unemployment figures indicate a higher level of education," he said.

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WHAT'S GOING ON

Jordan Times

An independent Arab political daily published in English by the Jordan Press Foundation.
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Facts of life and journey to peace

U.S. Secretary of State James Baker may well be nominated for this year's Nobel Prize for his efforts on behalf of peace in this region. Short of winning that or any other trophy, the secretary certainly deserves praise and appreciation for the amount of time, energy and travel that he has dedicated for the purpose of solving the intractable Arab-Israeli conflict and its central cause, the Palestinian problem. We remain as hopeful as he is that the planned peace conference will be crowned with success and followed by lasting peace and stability in this troubled part of the world.

For this to happen, both Arabs and Israelis need to want peace and seek it actively, as the secretary and his president have repeatedly said. But in order to realize the desired objective, there has to be more than sincere wishes and wishful thinking on the part of the antagonists and the mediators. The peace process itself has to be anchored to solid foundations that are capable of producing results and at the same time enshrined in international legitimacy and U.N. resolutions.

In plain words, the Israelis have got to understand and heed some facts of life in the Arab World if they do not know them already, and if they truly seek peace with justice.

First, the Palestinian representatives to peace talks have to be authentic and legitimate. In other words, they have to have the recognition and backing of the Palestine Liberation Organisation (PLO), the sole and legitimate representative of the Palestinian people. This is essential and necessary not only because the PLO is and should be an active participant in the search for peace but also because Israel cannot choose its enemies and determine with whom it can negotiate amongst the Palestinians.

Second, Jerusalem is not an issue that concerns only Palestinians and Israelis. The international community per se, has to be involved in determining its future. A brief look at the city's ancient and contemporary history would tell us why this is necessary. For the Israelis therefore to impose conditions on whether a Palestinian delegate from East Jerusalem cannot be part of the joint delegation is totally unacceptable.

Third, the Arab side is not attending the October conference as if walking into a park. Conducting direct negotiations with the Israelis is understandably still a highly emotional and charged issue among the Arab masses, especially when the Israelis continue to cling to their "Eretz Israel" slogans and build Jewish settlements on usurped Arab land. The Arabs will be attending the conference to achieve results, namely to bring about a just and lasting solution to their conflict with the Israelis. Failure of the negotiations to attain this goal might not hurt the Israelis in the short term, but it will have a devastating effect in the Arab World, in the way of rising extremism and desperation, reflecting on Israel itself later on.

While we appreciate Mr. Baker's sincerity and hard work and are keen to see his efforts succeed, we call on him to be aware of those facts of life that that we have live in the Arab World. It is up to him to ensure that the Israelis are not on this to wreck the peace boat even before it sets sail.

ARABIC PRESS COMMENTARIES

THE Israeli "yes" reply to U.S. Secretary of State James Baker's plan does not mean a "yes" in the full sense of the word, because Israeli Prime Minister Yitzhak Shamir said yes on condition that agreement should first be reached on the Palestinian people's representation at the negotiations, said Al Ra'i Arabic daily Friday. This is a tactical move by Israel which has continued until the last minute to lay obstacles in the path of peace, the paper noted. It is therefore clear that the intransigent Israeli stand has not changed, but what has happened is a mere playing with the words to make Israel appear as if it is willing to participate in the peace process and for that matter, the Palestinians should offer concessions, the paper noted. It is feared also that Washington's open welcome of Israel's move is meant as a sort of pressure on the Palestinian people to comply with the Israeli conditions, the paper added. Between now and October, when the proposed peace conference is expected to be convened, the Arab countries ought to concert their position and take a joint stand vis-a-vis all aspects related to the Palestine issue, advised the paper. It said that the Arabs have to remember that time passes quickly and there can be no room for further delay, otherwise they would be exposed to pressure leading to capitulation rather than peace.

U.S. Secretary of State James Baker's sixth visit to the region was tackled by Sawt Al Shabab Arabic daily which described it as the most difficult yet. The paper said in this visit Mr. Baker is trying to reach agreement with the Shamir government on a final formula concerning the representation of the Palestinian people at the coming peace conference. For this reason, Mr. Baker has started his visit in Israel and he is expected to find more difficulties than ever before, the paper said. Mr. Baker will find his mission difficult in Israel where he cannot exercise any pressure, but he would not find any difficulty in persuading the Arab parties because the U.S. administration can easily exercise pressure on them, the paper noted. The U.S. administration sometimes finds itself impotent in the face of the conditions placed by Israel and the obstacles that impede its course of action, the paper said. Instead of replying definitely and clearly that it is oriented towards peace and accepts the Baker plan, Israel has raised Mr. Baker and the U.S. administration with questions about the Palestinian representation and Washington's interpretations of U.N. Security Council Resolution 242, the paper continued. In his talks with the Shamir government, Mr. Baker is bound to encounter issues which he did not expect and it is feared that the U.S. secretary would turn his attention to exercising pressure on the Arab parties instead of Israel, the paper added. It said that it is feared that the Palestinian representation question would be settled at the expense of the Palestinians and the city of Jerusalem.

One year later: The Arab future unfolds

By Rami G. Khouri

ONE year after the Iraqi occupation of Kuwait on Aug. 2, 1990, the Middle East appears relatively calm on the surface. Kuwait is liberated, Iraq bumbled, Arabs and Israelis grope for the negotiating table, there is talk of regional arms control, and Western troops in Turkey are poised to protect Iraqi Kurds.

But in this ancient and mysterious land of scorching city asphalt and desert mirages, the surface lies, and the calm is only a momentary pause. Beneath the surface, political and emotional forces are at play that will determine the future of the region in a far more decisive manner than the fireworks and joystick display put on earlier this year by the U.S.-led military coalition.

The military equation of the Gulf war was clear, predictable, decisive and brutal. The political foolhardiness of Iraq and the technological overkill of the United States combined to generate one of history's most senseless and costly wars. Its total cost, including reconstruction, lost business and income, and rearmament, will reach \$300-\$400 billion.

The deeper Middle East political equation was largely unaffected by the liberation of Kuwait. One year after the start of the Gulf crisis, the people of the Middle East continue doing what they had been doing during the previous decade — engaging in a fateful struggle for the future of the Arab World. At its simplest, the struggle pits those who seek Arab democracy, pluralism, regional integration, and national dignity against those who reflag their tankers and then their entire countries, fear democratic change, rent Western armies, and look to foreign emperors for security.

The future of the Middle East will be determined not by foreign armies, but by the ability of its own people to deal with a range of urgent and serious problems that have caused the average Arab person considerable suffering and humiliation in recent years. These include:

— the Arab-Israeli conflict, which humiliates the Arab masses, allows Arab autocrats to exploit this grassroots shame, and maintains the region in the double grip of domestic tyranny and militarism;

— economic regression and disparities, with Arab foreign debt having risen ten-fold since 1980 to over \$200 billion, the cost of the Gulf war promising further Arab pauperisation, and per capita income throughout the region ranging from a low of \$250 to a high of \$15,000;

— wasteful militarism, with the region having spent \$800 billion on security since 1975, leading the world in military spending, arms imports, and soldiers per capita ratios — yet it is still insecure, violent, and unstable;

— lack of democracy, pluralism and human rights, for the Middle East has been largely a horror show of autocracy and despotism, pacified by state violence;

— population growth and food and water shortages, as 3.8 percent annual population growth has seen the Arab World less and less able to feed itself; the Arabs' food self-sufficiency rate has

declined from 91 per cent to 61 per cent since 1960, we spend around \$17 billion a year on food imports, and every Arab country except Iraq already faces water shortages.

These issues will determine the future of the region, just as they caused the Arab people to revolt against their own failed political orders since the early 1980s. Under the banners of Islamic fundamentalism, democratic pluralism, pan-Arab nationalism, or a combination of all three, the Arab people established nascent democracies in Algeria, Tunisia, Sudan, Egypt, Jordan and Yemen, and promoted liberalisation and democratic reconstruction in Lebanon, Morocco, Somalia and Mauritania. Some democracies, such as Sudan's and Lebanon's, were short-lived and flawed, and will be revived; others, such as Egypt's, are brittle, but will strengthen in time.

This indigenous Arab drive for humane, responsive and accountable political systems will now continue throughout the rest of the region, eventually transforming Iraq, Syria, Libya and all the Gulf oil producers. It will not be determined by the impact of smart bombs commanded by foolish diplomacy, but by the anger and political maturity of the indigenous people themselves. The Arabs are demanding that their societies be governed through democracy and decency, and they will achieve this aim regardless if they are rich or poor.

Rich Arabs in the Gulf, like the people of South Korea and Taiwan, will demand democracy because they will be shamed by rising material standards of living while their political system remains stuck in the feudal power flows of the Middle Ages. The poor Arabs of the rest of the region, like Poland and Haiti, will demand democracy as the only means to escape poverty and regression, and to build viable states by tapping the energy and resourcefulness of the people. Poverty and wealth will both lead to the same conclusion: the Arab people must be treated as human beings by their governments, or they will challenge and replace those governments.

The battle for democracy in the Gulf will be most clear in Kuwait, where the democratic opposition has regrouped and resumed its drive for more republican and responsive government. In Kuwait we witness an unprecedented phenomenon: rich Arabs who are also angry, humiliated and scared, who suffered occupation, torture, resistance, exile, destruction, humiliation, death, and the pain of pleading to the world for help. Kuwaitis compressed into seven months the same sentiments felt by Palestinians, Jordanians, Lebanese, Syrians, Algerians, Tunisians and other Arabs during the past seven decades of fighting European-Israeli/American imperialism and neo-colonialism. Many Kuwaitis have finally spun free from the materialistic orbits of London and Houston. They have learned what it means to be Arab, to suffer personal humiliation and national degradation, to see your country disappear, and then to burn, all the while being ridiculed by the rest of the world as medieval spendthrifts and ingrates.

When their anger and vindictiveness abate, Kuwaitis will demand to know if their trauma could have been avoided, if their national policies could have generated security through a more coherent integration of resources with the rest of the Arab World, instead of by investing \$150 billion of public and private money in Europe, North America and Japan. In this traumatised little country, today full of guns, anger, soon and uncertainty, the people of Kuwait may spearhead the drive for democracy and for accountable and responsible governments in the Gulf. The emir of Saudi Arabia and Kuwait will try hard to stem this tide, and will be able to do so for a short while. But, like the Shah, Marcos, Ceausescu, the Duvaliers, and George Wallace before them, they will soon learn of the impotence of guns and money in the face of people determined to live in freedom and dignity.

One year after the Gulf crisis erupted, it is clear that neither the Iraqi brand of militaristic and autocratic government nor the materialistic oligarchies represented by Kuwaiti political rule respond to the aspirations and rights of the Arab people. One year on, we see hundreds of thousands of Iraqi children on the verge of death and disability, and we see the Kuwaiti government offering cash grants to lure its citizens back home. There are signs of an Arab World that is sick and tortured, that denigrates the honour and dignity of individuals in favour of keeping power and wealth in the hands of a few men and families who are neither determined by their people nor accountable to them.

The message from our region has not changed since the early 1980s: The Arabs/Muslims of the Middle East will not remain the only people in the entire world to resist democratic change, regional integration, social and economic justice, and the rule of law. We will tolerate neither the homegrown despotism that reigns in Iraq and most of the Arab countries that were members of the U.S.-led cash register coalition, nor the spectre of American/British technological barbarism paid for by Arab oil money.

We defy our own despots, we spit in the face of the Western emperor, and we yearn yet for a common Arab and Semitic home — a rational, free, democratic and integrated Arab Nation, a stable and secure Middle East where Arabs, Iranians, Turks and Israelis, Christians, Muslims and Jews all live in peace, where the shared morality of our Abrahamic family reigns triumphant over the junk morality of Western neo-colonialism.

A dream, you say? Perhaps. But ten years ago, "so" was a democratic Poland, a South Africa dismantling apartheid, or a Soviet president hobnobbing with the G-7 leaders.

A shorter version of this article appeared in the New York Times op-ed page on Aug. 2. The author is currently writing a book entitled "Lines in the Sand: The Roots of Arab Anger and the Future of the Middle East," to be published in New York this autumn by Lawrence Hill Books.

Palestinians meet Baker

(Continued from page 1)

Baker said he had noted some flexibility but he refused to be drawn further.

Mr. Hussein said he hoped that "within days and not weeks or months a firm and clear answer will emerge from Palestine. We hope that all our efforts and the efforts of those in the PLO will help push forward the peace process and allow it to have fruits, so that we can reach a comprehensive peace which will give Palestinians the right to self-determination, allow the building of the state and provide real and comprehensive peace not only for Palestinians but for all the people in the area: Arabs and Israelis."

Asked whether he will participate in the peace conference Mr. Hussein said: "I didn't get the impression that we will not be part of the peace process."

Ms. Ashrawi said in response to a question about the Palestinian position vis-a-vis the rest of the parties "we are not trying to make people happy but to safeguard our national rights."

When asked if the U.S. acceptance of the Palestinian right of self-determination could be made in return to the exclusion of Palestinians from the diaspora, Mr. Hussein said "self-determination is not the price of anything."

Regarding answers to some of the Palestinian questions Mr. Hussein said that Mr. Baker "has given us the U.S. position on the interpretation of U.N. Security Council Resolutions 242 and 338 regarding land for peace. We were promised that this will be given to us in writing and that all memos of understanding will be made available to all sides".

Mr. Hussein confirmed that the issues of land and water during the interim period were discussed and specific questions on these issues were answered but that the Americans are considering the answers to them.

The PLO Friday praised the three Palestinians who met with Mr. Baker, saying they had accurately represented the organisation's stance towards Middle East peace talks.

"These individuals, with a mandate from the PLO, drew Mr. Baker's attention to the danger of unconditional American support for Israel, which is setting conditions intended to abort the peace process," the Palestinian news agency WAFA said.

The spokesman, according to WAFA, said the three Palestinians who met Mr. Baker "transmitted the PLO's positive response to the convening of a peace conference, the success of which depends on the implementation of U.N. Security Council Resolutions 242 and 338 and recognition of the PLO's legitimacy in representing the legitimate rights of the Palestinian people."

By Nermene Murad

THROUGHOUT the years, since Israel occupied Jerusalem and the West Bank in the 1967 war, Jordan viewed peace with Israel as the cornerstone of its foreign policy. It was only justifiable, given the fact that the Kingdom's economic problems and the scarcity of its water and natural resources dictated that a solution to the Palestinian problem would also free it from its defence and security burdens taxing its finances.

However, Jordan's sincere quest for peace was frustrated, on the one hand by Israeli intransigence and refusal to accept the land-for-peace formula, and, on the other, by Palestinian and Arab rivalry and in-fighting. The U.S. continued support of Israel and its "security needs" also did not add any credence, in the Arab psyche, to peace proposals which seemed only to require concessions from Arab states in general and Palestinians in particular.

At this time in Jordan's history, and as increasing international attention is forced to bring the feuding parties to the negotiations table, the government has gone out of its way to give reasons for its decision to participate.

Why now? Analysts cite several developments in Jordan and in the region to explain the government's moves.

The combination of these factors, analysts maintain, warranted that Jordan's officials repeatedly explain why Jordan decided to do exactly what it has been saying it wanted since 1967.

For one, all the ingredients of the old formula that has dominated the region's political thinking towards the Arab-Israeli conflict have crumbled. A much repeated saying in Middle East political circles is: "You cannot have war without Syria." The fact that Syria unilaterally signed a peace agreement with Israel ten years ago naturally wrote off the war option.

Iraq, which led the campaign to ostracise Egypt after its peace accord with Israel, proposed itself as an alternative Arab military might to counter Israel and offered itself as the backbone in those who still believed in the holy war option. With Iraq's defeat in the Gulf war, that option completely fell through, leaving the Arab World, and most importantly the Palestine Liberation Organisation, with only one option, namely peace with Israel.

When U.S. Secretary of State James Baker launched his Middle East peace effort following the Gulf war, it was naturally assumed by many political pundits that Syria will not accept the American ideas for Arab-Israeli peace. The delay in Damascus replaying to President George Bush's compromise proposals was interpreted to mean that President Hafez Al Assad was seeking a better bargaining position for the Arab side at the peace talks.

Jordan, naturally, hoped that Syria would at least stick to its conditions that it announced at the beginning or Mr. Baker's Middle East shuttle.

Syria's simultaneous announcement that it will enter direct talks with Israel unconditionally, served as a double-edged sword. On the one hand the fact that the ever-resilient Syria was making major shifts towards peace could only add credibility to Jordan's peace seeking position i.e. if Jordan's big neighbour wanted peace what else could Jordan do? But on the other hand, Syria's announcement also pulled the rug from under Jordan's feet.

The Kingdom had hoped that Syria's influence could be utilised to add strength to its, and to the PLO's insistence on a representative status but privately discussing various forms and means to ensure that the opportunity at hand for peace was not lost.

Naturally, going on the defensive was Jordan's immediate course. It sought to placate parliamentarians and political parties which were apprehensive of all the peace overtures by opening channels of dialogue with the different trends of political thinking in the country.

Its task was made even more difficult by the fact that the Muslim Brotherhood Movement which rejects any peace moves with Israel and holds a total of 23 seats in the House, had just been excluded from the Cabinet and, therefore, was poised to lead a strong opposition in the House.

Premier Masri, after several rounds of highly-charged attacks from the opposition, met with lower house deputies and senators in a bid to lay out Jordan's economic and political reality. He explained that Jordan would fall victim to increased economic pressures from the West and Arab states if it footdragged on U.S. peace efforts. It would be politically isolated especially since Syria has already signed on the trip to peace. The country wants to redirect its funding from defence to development and it fears further influx of Palestinians from the occupied territories, the Gulf states and the diaspora if a solution to their

Against this backdrop of events, the Jordanians, represented by their deputies at the Lower House of Parliament, pressed the government to explain why it was accepting American-proposed peace talks at a time when the Arabs were weakest and the PLO, by its own admission, fragmented.

The post-Gulf war structure of the Middle East is only too clear to Jordanians. As one observer put it: "The Arab public knows that there is a lack of balance in any forthcoming negotiations between Arabs and Israel. Israel now dictates the rules."

Furthermore, the appointment of a Palestinian-born premier, Tabeer Masri, further served the contention of those who feared the PLO was being written off as any significant political player in the Middle

problem was not found. The country also needed to forge a regional water agreement to ensure enough provision of this basic utility to its citizens.

Another issue that worried Jordanians, and still does, is Palestinian representation. Israel demands veto power over the composition of the delegation and insists it should only comprise Palestinians from the occupied territories, excluding occupied East Jerusalem.

Publicly, the PLO, at its weakest, ostracised by Arabs and the West alike and despite its status as the sole legitimate representative of the people whose future is at the centre of any Arab-Israeli peace talks, found itself sidelined. So, going on the offensive was the PLO's option, publicly rejecting any formula which dilutes its representative status but privately discussing various forms and means to ensure that the opportunity at hand for peace was not lost.

At the same time, Jordan also continued to defend its position by insisting that the Kingdom had a list of national interests it wanted to discuss during the conference but did not fail to underline the very essence of its relations with the Palestinian people.

"Jordan has its idiosyncrasies and significance because of its closeness to the Palestinian issue," Premier Masri said in an interview published July 28.

The week in print

U.S. bears responsibility for just peace in Mideast

PEACE prospects in the Middle East region in light of U.S. Secretary of State James Baker's tour and the U.S. administration's plans attracted most of the writers and the columnists in the Arabic press.

A columnist in Sawt Al Shaab daily placed the responsibility of forcing Israel to pull out its forces from the occupied territories and achieving a genuine peace in the region squarely on the U.S.-Soviet summit and the American-Soviet leaderships which are sponsoring the peace process.

Salameh Ekour said that the superpowers should not allow Israeli Prime Minister Yitzhak Shamir to place obstacles in the form of the Palestinian representation because such obstacles can only lead to an abortive conference, an objective that would be welcomed by Israel. As long as U.S. President George Bush and his allies together with the Soviet Union have borne the responsibility of establishing peace through the implementation of the international legitimacy, the writer noted, they alone can force Israel to implement U.N. resolutions so as peace can prevail.

In the coming peace negotiations, the Arabs hold no trump card, especially in the absence of Iraq and the PLO, and the United States and Israel can exercise all sorts of pressure on the Arab parties, said columnist Fahed Al Fanek. Writing in Al Ra'i daily, the columnist said that in the coming negotiations, the Americans and the Israelis can wrest many concessions they need in Israel's interests and the Arabs would not see an end to Israel's presence in the occupied Arab territories.

This gloomy picture is reflected in an article by Fakhri Kawa who writes for Al Ra'i daily. The Arabs under the present circumstances are unable to impose their conditions and the coming negotiations would be simply between the murderer and the victim, the writer noted. As long as the murderer is holding the weapon and the victim is lying down helpless, no international legitimacy can be implemented and no justice can be established, said Mr. Kawa.

Negotiations from a very weak stand is like giving in to the aggressors demand of remaining in our Arab lands for ever, although deep down we are demanding that the Israelis pull out from all Arab territories and the Palestinians have their own state in Palestine, the columnist said.

He said that the whole question would be left to the future generations to settle and the Arabs should refrain from surrendering to Israel's demands and dictates.

The restoration of national rights and lands, said another columnist, can never be achieved through "embarrassing" the enemy with mere words because the aggressors do not understand this tactic.

Diyab Mkhademeh said in Al Dostour that what has been taken by force can only be regained by the force of will, unity and deter-

mation. The writer echoed Mr. Kawa's views that the Arabs should leave the question of re-gaining Arab rights to the future generations if the present ones are incapable of carrying out the mission with honour.

A columnist in Sawt Al Shaab daily said that the Americans paved the ground for Arab capitulation in the coming negotiations by first making sure that Iraq has no military power to lend a helping hand to its sister states.

The Americans devastated Iraq's power and continues to impose an embargo on the Iraqis to isolate them from the rest of the Arab World thus paving the ground for easy negotiations between Israel and the Arab states, said Dr. Ahmad Al Khatib.

The writer said that the Arabs are indeed surprised over Washington's sudden assault on peace after remaining silent for more than a quarter of a century about Israel's occupation of Arab land in defiance of the international community's resolutions. But they should not be surprised because this feverish race for the peace negotiations is designed to exploit the consequences of the Gulf war for Israel's benefit and to ensure that the Arabs, who are now in total disarray, would succumb to Israel's terms and conditions, the writer noted.

It is clear that Israel is making one gain after the other at a time when the Arab side is offering one concession to the aggressors after another, said Khalil Sawahiri in Al Dostour daily. The writer said that since Mr. Baker started his Middle East tour it was clear that the U.S. administration wanted the Arabs to succumb to the Israeli will, after having dealt with the Iraqi threat to the Jewish state. Now that Israel is the sole predominant power in the region, said the writer, it can force the Arabs to cancel the PLO, forget about Israel's pullout from the occupied Arab lands, and consider U.N. Security Council Resolutions 242 and 338 as history. He said the Israelis can never stop the settlement programme in the Arab land and will continue to pursue aggressive policies for ever.

The discovery of a clandestine group planning and carrying out sabotage activity in Jordan was tackled by a number of columnists in the past week.

Bader Abdul Haq said that the creation of such groups can never be designed to liberate Palestine or Afghanistan as the group members had claimed but is rather a form of undermining the nation's security and stability. Mr. Abdul Haq, who writes for Al Ra'i, said that the group had been hiding behind Islamic slogans in order to legitimize its presence, but in reality the group members are in the pay of foreign elements bent on weakening the Arabs and destroying the democratic march.

His views were backed by Mousa Al Kilani, editor of Al Dostour daily, who said that the Islamic movement in Jordan was quick to denounce the clandestine group as a tool of foreign conspiracy designed to weaken Jordan and its people.

sence of such a group within the Jordanian society points to a dangerous imbalance and a gap between the new generation with its ideologies and the old established principles and traditions which ought to be bridged as soon as possible.

The car bomb attacks perpetrated by the clandestine group should remain as an isolated incident that would never be allowed to poison the atmosphere or destabilise the country's security, said the writer.

This view was also echoed by Salameh Ekour in Sawt Al Shaab. He said that blowing up cars and institutions and killing innocent civilians can only serve the interests of Israel and its American ally. He said he believed that such attacks were designed as part of the U.S.-Zionist alliance's pressure being exercised on Jordan. The writer said that the clandestine group must have exploited the democratic atmosphere prevailing in the Kingdom to carry out their criminal actions under Islamic names.

The question of acceptance of students at Jordanian universities was tackled by several columnists, with Mohammad Ibrahim Daoud urging the government to expand the basis for acceptance and to admit further numbers of students. The columnist said that as the demand for higher education increases, it is only reasonable for Jordanian universities to open the door for the greatest number of students to attain their dream. Furthermore, the writer said, Jordanian universities have so far failed to link their education courses with the needs of the Jordanian society and the students who graduate every year cannot find jobs. New courses have to be created in required fields so that the large number of students can find employment, he added.

Nazih, another columnist for Al Ra'i said that not only the students will be concerned about getting seats at the universities but also their relatives and parents because there is a real competition for admission in view of the large number of students wishing to enrol. The writer said that the government ought to open the door for a greater number of students to enrol and should not link admission to the average grade of students.

Taber Al Udwani tackled the question of continued harassment of shipping in the Gulf of Aqaba and the delay in the arrival of goods at the port. The columnist, who writes for Al Dostour, said that the American naval vessels are still harassing Aqaba-bound ships despite the fact that the Gulf war is over and Kuwait is liberated again. The harassment, he noted, is clearly intended as a form of pressure on Jordan and not Iraq, with the Americans adopting a hostile attitude towards the Kingdom through the American embassy in Amman. America's hatred towards Iraq, the writer said, is now transformed into a hatred against Jordan and its people.

King voices hope over START

(Continued from page 1)

organisation accepted in principle the call, it also believes that certain guarantees are needed to ensure that the conference is convened and that it will achieve success."

The spokesman said the conference should aim at the implementation of U.N. Security Council Resolutions 242 and 338 and recognition of the legitimate national political rights of the Palestinian people, including their right to self-determination.

Palestinian participation in the peace conference, the spokesman said, should be determined by the PLO without any external intervention.

The PLO rejects any attempts to exclude the issue of Jerusalem and the representation of people from Jerusalem, the spokesman said. In addition, he said, Israel should also immediately halt its building of settlements in the occupied territories.

'Unprecedented progress'

(Continued from page 1)

"more work to be done."

The main sticking point in the progress towards a peace conference remains to be Palestinian representation and Israel's insistence on barring certain Palestinians from the talks.

Official sources here said that Jordan was working on a formula which would surpass the difficulties posed by Israel's intransigence, including the issue of Palestinian representatives from East Jerusalem.

They expressed conviction that

the Palestine Liberation Organisation would not allow itself to be cornered into a "rejectionist position" after Israel announced its willingness to attend.

"A compromise will be worked out," a senior official told the Jordan Times adding that Jordan will help in reaching an agreement."

Jordan, the official said, believes that East Jerusalem has to be represented within the joint delegation because it would symbolically "confirm the status of Jerusalem."

Sharon Jordan did all it could'

(Continued from page 1)

consent and not force," Mr. Hammad said.

Outspoken Irbid Deputy Hussein Mjalli said he felt that Jordanians should have taken a more active role in condemning the Iraqi invasion of Kuwait.

"It was a trap for the Arab World which we fell into. The Iraqi invasion of Kuwait was the road for foreign soldiers to come into in the region in great numbers and take total control of the region's most precious natural resources," Mr. Mjalli said.

"Jordan should have applied more pressure on Iraq to withdraw quickly. The only way to save Iraq was to get it out of Kuwait before the war began,"

Mr. Mjalli added. "This is the only position which Jordan should have held more firmly otherwise it did all that was in its capacity of do."

Sharon

(Continued from page 1)

on has accelerated Jewish settlement in the occupied territories. The United States, Israel's guardian ally, calls the 100,000 settlers an obstacle to peace.

"In this matter I carry out the policy of the government according to its basic guidelines with the complete support of the prime minister," Mr. Sharon said.

Israeli papers Friday hailed Mr. Sharon's conditional assent to the U.S. proposals for peace talks.

They said his agreement — albeit dependent on solving the problem of who speaks for Palestinians — would please both the superpowers who pressed for it.

The U.S. would be more sympathetic next month to a request for \$10 billion in loan guarantees for housing an influx of Soviet Jewish immigrants.

The Soviet Union, newspapers said, might soon restore full diplomatic ties severed over the 1967 war.

And by joining Arab states in accepting a peace conference, Israel had shifted the onus to the one player yet to join in, the Palestinians, the papers wrote.

"The ball is in the Palestinians' hands," headlined the leftist daily Al Hanashir.

The Friday papers, the biggest of the week because they precede the Sabbath, were packed with blow-by-blow accounts of how Mr. Shamir finally came to say yes.

They praised Mr. Baker for the coolness and tenacity needed to extract the affirmative response from Israel's rightist leader.

"He (Mr. Baker) came here to do what he did all his years as a lawyer — to persuade two feuding sides to come to the table for discussions," commentator Naiman Barnea wrote in Yedioth Ahronoth, Israel's biggest newspaper.

He added that all eyes had focused on Mr. Shamir, but the success belonged to Mr. Baker, who unemotionally appealed to the pragmatism of both Mr. Shamir and Syrian leader Hafez Al Assad.

Yet all the newspapers warned that much work lay ahead for Israel, the Arab states and Washington.

'White Paper' explains position

(Continued from page 1)

Security Council resolutions and the need for a diplomatic solution."

The White Paper argues that among all the Jordanian efforts to achieve an "Arab resolution" to the crisis, His Majesty's letter to Iraqi President Saddam Hussein on Sep. 22, 1990 was the most significant. It was made clear to President Saddam Hussein that "Jordan and other Arab governments could not accept the acquisition of territory by war, not only as a matter of principle, but also because failure to maintain this principle could constitute a dangerous precedent of which Israel may take advantage with a consequent endangering of Jordan's national security and existence as well as an endangering of national security in general."

The paper shows that in reply to Jordanian requests, President Saddam Hussein was prepared to accept one of two possible solutions to the crisis: An Arab solution in which the two parties would sit down together and thus settle their differences as His Majesty had proposed during his Aug. 3 visit to Baghdad which was urged by President Hosni Mubarak of Egypt and endorsed by King Fahd of Saudi Arabia. The alternative solution was an international one, as he had proposed

on Aug. 12: an international conference should be convened at which not only the question of Kuwait but also the problems of Palestine and Lebanon should be discussed. That proposal had been immediately rejected by both the United States and Great Britain.

The Jordanian document also states that when His Majesty Hussein realised that all his country's efforts to avert the outbreak of war had failed, he addressed the Jordanian people on Jan. 15 stating that "the doors of reason have been shut and the avenues for an honest dialogue blocked."

A final message of hope and reconciliation was addressed to the Jordanian people by King Hussein on March 1, 1991. This address summed up the growth of the crisis from its beginning to the end of the war and the position of the Jordanian Government. "Our vision was clear from the outset of the disaster. We realised what the outcome would be if Iraq continued its occupation of Kuwait and if we failed to resolve the problem peacefully within the Arab framework. We tried our utmost to address and contain the problem... Most regrettably we were not successful... We knew we would pay dearly for standing on principle and for insisting on maintaining our freedom of action within the national context and as due to our geographical location."

Iraq rejects French draft

(Continued from page 1)

Cheney, threatening renewed U.S. military action against Iraq, said Friday Baghdad was still trying to conceal nuclear bomb-making equipment in defiance of the United Nations.

Iraq "made a very serious mistake over the past year in underestimating our determination to see to it that it complies with established norms of international behaviour," Mr. Cheney said on NBC Television.

"And if (Iraq) continues to operate on that basis, it would be another big mistake for (it)."

Under the terms of the ceasefire to which Iraq agreed after the Gulf war, Baghdad must declare and scrap all weapons of mass destruction.

In interviews with four television networks marking the first anniversary of the Iraqi invasion of Kuwait Mr. Cheney said, Iraq had yet to come clean on its nuclear programme.

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Capriati, Seles advance at Mazda tournament

CARLSBAD, California (AP) — Fourth-seeded Jennifer Capriati dispatched error-prone Lori McNeil 6-2, 6-1 at the \$225,000 Mazda Classic.

The 15-year-old Capriati, who drew a first-round bye, neutralized McNeil's net game with passing shots and capitalized on her opponent's mistakes in the second-round match.

Earlier, top-ranked Monica Seles started strongly and then answered increased resistance from Anne Minter to advance to the semifinals with a 6-0, 6-3 victory.

Seles, playing her first tour event since pulling out of Wimbledon with a injured leg, will face the winner of Friday's match between third-seeded Manuela Maleeva-Fragarcia and sixth-seeded Nathalie Tauziat in the semifinals.

Capriati advanced into a quarterfinal match against fifth-seeded Zina Garrison, who beat Karine Quentrec 6-2, 6-1. In the other quarterfinal match, second-seeded Coochita Martinez will meet amateur qualifier Debbie Graham.

U.S., Yugoslavia advance in junior basketball tournament

EDMONTON, Alberta (AP) — Bryan Caver scored 17 points as the United States advanced to the medal round of the World Junior Basketball Championships with a 94-78 victory over Brazil.

Jamal Faoloken added 16 points as the U.S. won its third game of the second round and is 6-0 for the tournament.

"I thought for 40 minutes we had our best intensity and best awareness," U.S. Coach Lon Kruger said. "We knew we had to play better and play our best to beat Brazil."

The U.S. led 54-38 at the half and was never threatened. The Americans will face Yugoslavia, who advanced despite losing to Spain 99-95.

Brazil closed within nine points with four minutes remaining, but could get no closer.

Rogerio Klaske led the way for Brazil with 22 points and Andre Matoso da Silva added 16.

Italy also reached the medal round, posting a 96-89 victory over Romania. The Italians, who are also undecimated in the tournament, came from 15 points down to defeat the surprising Romanians, to their first-ever world junior event.

Paolo Calboi had 20 points to lead Italy, while Massimo Ruggeri added 13 for the European junior champs.

U.S. athletics team to take on French record holders

MONACO (Agencies) — France fields three members of their world record-breaking sprint relay quartet at Saturday's Monaco Athletics Grand Prix meeting in a race also featuring the Santa Monica Track Club.

The Americans made several fruitless attempts on the world mark last year before France smashed the record at the European Championships in Split, a 94-78 victory over Brazil.

For France, Daniel Sangouma, who clocked 8.90 seconds in an inspired second leg in Split, Jean-Charles Troubadou and anchorman Bruno Marie Rose combine with Gilles Quenherve in place of Max Moriante.

Santa Monica field Olympic champion Carl Lewis and World record holder Leroy Burrell along with Floyd Heard and Mike Marsh.

Ben Johnson, once the world's fastest man, has been included in Canada's relay squad although he did not turn up here as scheduled Thursday after apparently missing his flight.

Since serving a two-year ban for steroid use, Johnson has struggled to recapture even a semblance of his former explosive speed and he will not be representing his country in the 100 metres at next month's Tokyo World Championships.

Monaco is the penultimate Grand Prix event before Tokyo and several of the world's top sprinters and hurdlers have been attracted by the prospect of clear, hot weather and attractive appearance money.

Britons John Regis and Roger Black, European champions over 200 and 400 metres, test themselves in their specialist events

Capriati, ranked 10th in the world, set the early tone by following a winning lob with a strong passing shot in taking a 2-0 lead of McNeil's service.

"I wanted to return well and hit passing shots," said Capriati. "When it was two-love there, Seles said, "My mind totally went away and I lost my rhythm. After that, I had to keep myself to concentrate."

After taking the first five games, Capriati had some lapses in dropping the next two, but then regained firm control.

McNeil, ranked 24th, committed two of her five double-faults in her final service game and fell victim to three service winners by Capriati in the deciding game.

"I made far too many mistakes," McNeil said. "I'm struggling with my serve, and I became more frustrated in this match."

Seles, who has held the No. 1 ranking since March 11, needs to win the tournament to retain the top spot. In her previous eight tour events this year, she has reached the final each time claiming four titles.

The 17-year-old Yugoslav won eight straight games before Minter, ranked 60th, held service in a 14-point game. A pivotal mo-

ment, Seles felt, came when she missed a volley after taking the first two points.

"It was a pretty easy match, but I got a little mad at myself when it was two-love there," Seles said. "My mind totally went away and I lost my rhythm. After that, I had to keep myself to concentrate."

After a tentative start, Minter improved her shot placement in the second set and approached the net on occasion with effectiveness. But the Australian couldn't break Seles' serve, forcing deuce just twice in the March.

Seles, who had three aces and recorded eight service winners, also exhibited an array of winning placement shots.

"I have not expected a lot of myself because I haven't played for so long," she said. "I'm surprised at how fast I could come back. But I'm going to keep working to get to a higher level."

Away from the official tour since winning the French Open on June 8, Seles said the two tournament matches here had not affected her left leg, which had not been bothered by shin splints and a stress fracture.

Edberg, Sampras move in to Volvo semifinals

LOS ANGELES (AP) — Top seed Stefan Edberg breezed to a 6-3, 6-4 victory over fellow Swede Peter Lundgren, advancing to the quarterfinals of the Volvo Tennis Tournament.

Second-seeded Pete Sampras also advanced with a 6-3, 6-4 win over Japan's Shuzo Matsuka.

The only time Edberg was threatened was in the fourth game of the second set when Lundgren, up 2-1, had four break points against the world's No. 2-ranked player. But Edberg pulled through to win, then broke Lundgren in the seventh game at love.

"It was a good match for me," Edberg said. "I knew he (Lundgren) was going to get tougher and tougher. I started missing some first serves and he got tougher, which made for a closer match."

Edberg, the tourney's defending champion, meets No. 7 seed Ar�ao Krickstein Friday afternoon.

Matsuka took a three-set victory from Sampras last week in the second round of the Canadian Open in Montreal. This time, however, the U.S. Open champion was in control throughout, relying on his booming serve.

Sampras went up a break in the first game of the second set and held serve the rest of the way. He won his last two service games at love, including his next-to-last game in which he served up three aces, two of which were clocked at 117 mph (184 kph) or faster.

"Today my serve was the best. I've served in quite a while," he said. "I was going for it. I wasn't serving that well at the beginning of the match and it brought back some memories."

"His backhand is kind of funny, so I played more to his backhand than his forehand."

Matsuka agreed that Sampras' serve was more potent than it had been in Montreal.

Drechsler leapt 7.37 metres, the best so far this year, to win the women's long jump at an International Athletics meeting in Sestriere, Italy, Wednesday.

The former world record holder beat the previous season's best of 7.24 metres which she shared with Larisa Berezhnaya of the Soviet Union. Berezhnaya was second with a leap of 7.19 metres Wednesday.

Drechsler, 26, aided by a following wind of 1.8 metres per second and the thin air at this Italian ski resort, 2,000 metres above sea level, saved her best leap for her sixth and final jump after recording 7.33 metres with her second attempt.

Krickstein advanced by defeating Jason Stoltenberg of Australia 6-3, 3-6, 6-3.

"I think my experience paid off," said Krickstein, the eighth seed. "I've beaten him three times before. I won a few big points. Whoever got up or break won the set."

Other quartet pairings include No. 4 Brad Gilbert vs. qualifier Steve Bryan and Stefano Pescosolido, who upset third seed Michael Chang on Wednesday, vs. unseeded Scott Davis.



Diego Maradona

Maradona, bitter about drugs, spurns professional soccer

BUENOS AIRES (R) — A bitter Diego Maradona, banned from soccer until July 1992 for failing a dope test, said Thursday he will not return to the professional game.

"I will not play soccer professionally again," the former Argentina skipper told the private Continental Radio station. "For the time being it's an irreversible decision."

A former street urchin who became one of the world's greatest soccer stars, Maradona was banned for 15 months by the International Football Federation and the Italian League in April after a post-match urine test revealed traces of cocaine.

Many of his loyal fans hoped he would stage a comeback, but on Thursday he said: "I find I don't enjoy myself anymore."

Maradona, 30, rose to prominence when he led Argentina to victory in the 1986 World Cup. His career had gone downhill after Argentina lost the 1990 World Cup final to West Germany.

Shortly after his suspension, the fallen star returned to Argentina saying he wanted to quit because he was sick of the pressure and the discipline. His contract with Napoli binds him to the club until 1993.

A few weeks after returning home Maradona was arrested for cocaine possession and for supplying the drug free to others. He was released on bail after 30 hours in custody and faces up to 12 years in jail if found guilty.

Maradona, who is undergoing drug rehabilitation, was bitter about the criticism his drug problems have cost him.

"I'm not hiding my problem with drugs, but it's not fair for someone who trips and falls to the street to lay the blame on drugs or on what happened to Maradona," he said.

He added: "There is something deeper here than simply having taken cocaine, there is something else that's not called Maradona. This country lacks a drug culture and I am having to pay for it and that is not fair."

Maradona also faces charges in Italy, where he is being investigated.

JORDAN TIMES, SATURDAY, AUGUST 3, 1991

HOROSCOPE

FORECAST FOR SATURDAY AUGUST 3, 1991

ARIES: (March 21 to April 19) This is your day to be alert to whatever advanced matters arise that can bring your own personal desires right into your lap for your success.

TAURUS: (April 20 to May 20) You find much stirring and activity in behind the scenes interest that can rid you of what is unwanted and quietly place new activities into the scope of your influence.

GEMINI: (May 21 to June 21) You certainly have a chance to have some very happy moments with good friends now as well as meet an acquaintance through whom you can get a big kick.

MOON CHILDREN: (June 22 to July 21) Look into the various outlets of expression in the world of outside activity that can bring you closer to your true heart's desire.

LEO: (July 22 to August 21) You find you have every sort of need to bring to light the many longings you have been thinking about but that you have done nothing to conclude.

VIRGO: (August 22 to September 22) A day to make a point to listen to that prophetic insight that is so deep a part of your life right now so take stock of what your hunches are.

LIBRA: (September 23 to October 22) Whatever arrangements you want to make with a partner can now be quickly put in motion in the manner in which both of you are satisfied.

SCORPIO: (October 23 to November 21) This day can well find you doing the things for others that shows you can forget yourself in doing for them and make yourself very popular.

SAGITTARIUS: (November 22 to December 21) This is your time to first decide the principles under which you wish to live in the days ahead and go off to recreations you more happiness later.

CAPRICORN: (December 22 to January 20) Now you have a day when you can be very basic in looking about you and in making the changes that can bring you more happiness later.

AQUARIUS: (January 21 to February 19) Attending studies of your choice and then off to see those who have the same interests as yourself to make a banner day of happiness.

PISCES: (February 20 to March 20) You need to increase your consciousness of abundance if you are to have more of this world's goods so think less of the small sums and think of big ventures.

What a perfect combination, my birth stone & I!

World Resources-Dajani & Co. Inc. Jewellers-Gems

Anthen-Rio De Janeiro Anthen-Angra Hotel-8th. circle

THE BETTER HALF

By Barnes



"Would you drive a while, dear? I need to cure my hiccups."

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

7-22

BRIHC

CINIG

LORCAR

THINGK

ALL THE CROOKS IN THAT POLLUTED CITY SEEM TO HAVE VANISHED ---

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: INTO

(Answers tomorrow)

Saturday's Jumble: BATCH LADIE HAIRDRO DROPSY

Answer: She wouldn't marry po-gutter because she was waiting for a guy who ALREADY HAD IT

THE Daily Crossword

by Virginia B. Hopewell

ACROSS

1 lively! 5 Concur! 9 Adult! 14 Scorch!

15 Drink to excess! 16 Old-woman! 17 Sol's predecessor!

18 Rock place! 19 Action! 20 Rubbed down!

22 Ophelia's beloved! 23 Milton or Shakespeare!

24 Destiny! 25 Drunk! 26 Using a bike!

32 Hormone! 33 Stigma! 34 Breme propeller!

35 Japanese! 36 Public! 37 Division word!

38 Previous to! 39 -- we all! 40 Opera solo!

41 Apprentices! 42 -- that touch liquor...

45 Pinto or lama! 46 Takes care of horses! 47 Nibbles!

48 Vowel sequence! 49 Some souses! 50 Russ. veto! 51 Adict!

DOWN

1 Corn game! 2 Companion of Artemis! 3 Aries' minister! 4 Potted plant! 5 Celestial body!

6 Indulged in meat! 7 Indulged in tobacco! 8 Actor Harrison Ford! 9 Drum sound!

10 Glossy paint! 11 Window pane! 12 Actress! 13 Somer! 14 First-class

15 Fencing movement! 16 Stomaching of ulcer! 17 Bacon eggs! 18 City of Crete! 19 Cerulean effort!

Financial Markets		Jordan Times			
in co-operation with Cairo Amman Bank					
U.S. Dollar in International Markets					
Currency New York Close Tokyo Close					
Sterling Pound	1.6855	1.6865			
Deutsche Mark	1.7435	1.7415			
Swiss Franc	1.5225	1.5225			
French Franc	5.9275	6.9250 **			
Japanese Yen	157.42	157.50			
European Currency Unit	1.1775	1.1765 **			
** USD per SGD ** European Opened at 8:30 a.m. 1,457					
Non-deliverable Interest Rates Date: 7/5/1991					
Currency	1 MTH	3 MTHS	6 MTHS		
U.S. Dollar	5.75	5.95	6.12		
Sterling Pound	11.00	11.00	10.87		
Deutsche Mark	9.00	9.16	9.42		
Swiss Franc	7.67	7.67	7.71		
French Franc	9.50	9.62	9.68		
Japanese Yen	7.34	7.31	7.32		
European Currency Unit	4.81	10.60	10.66		
Interest rate for amounts exceeding 1% in dollars, francs or equivalent					
Precious Metals Date: 7/5/1991					
Metal	USD/Oz	JD/Gm	Metal	USD/Oz	JD/Gm
Gold	364.05	6.95	Silver	3.04	.095
21-Karat					
Central Bank of Jordan Exchange Rate Bulletin Date: 7/8/1991					
Currency	Bid	Offer			
U.S. Dollar	.557	.555			
Sterling Pound	1.1567	1.1525			
Deutsche Mark	.5935	.5955			
Swiss Franc	.4539	.4572			
French Franc	.1152	.1163			
Japanese Yen	.5002	.5027			
Dutch Guilder	.3491	.3505			
Swedish Krona	.1535	.1590			
Italian Lira	.0547	.0550			
Belgian Franc	.01608	.01918			
Per 100					
Other Currencies Date: 7/6/1991					
Currency	Bid	Offer			
Bahraini Dinar	1.7860	1.7950			
Lebanese Lira	.0770	.0790			
Saudi Riyal	.1629	.1636			
Kuwaiti Dinar	-	-			
Qatari Riyal	.1860	.1865			
Egyptian Pound	.1950	.2150			
Omani Riyal	1.7500	1.7600			
UAE Dirham	.1860	.1865			
Greek Drachma	.5500	.5600			
Cypriot Pound	1.4200	1.4400			
Per 100					
CAB Indices for Amman Financial Market					
Index	30/7/1991 Close	31/7/1991 Close			
All-Share	109.84	109.82			
Banking Sector	103.79	104.41			
Insurance Sector	119.10	119.10			
Industry Sector	115.09	115.09			
Services Sector	127.76	127.45			
December 31, 1990 = 100					

LONDON EXCHANGE RATES	
London (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at midsession on the London foreign exchange and bullion markets Friday.	
One Sterling	1.6627/37
One U.S. dollar	1.1504/09
	1.7660/70
1.9840/50	1.5419/25
36.32/36	36.32/36
6.0020/70	1318/1319
1318/1319	138.00/10
6.3950/4000	6.8840/90
6.8275/25	360.40/360.90
One ounce of gold	360.40/360.90

IMF, World Bank chiefs win 25% pay raise

WASHINGTON (R) — The International Monetary Fund (IMF) and World Bank agreed Thursday to increase the annual salaries of their top executives by more than 25 per cent to \$285,000, sources at the two organisations said.

The United States and Canada objected to the \$60,000 increase as excessive but were overruled by other members of the IMF and World Bank boards in separate votes.

Washington and Ottawa argued for a pay increase closer to the 16 per cent rise in the cost of living since the last wage hike three years ago. That would have translated into an annual salary of \$260,000 and \$270,000.

Several sources said IMF Managing Director Michel Camdessus was the driving force behind the pay raise.

The sources said Mr. Camdessus wanted his pay to match that of Jacques Attali, another Frenchman who heads the European Bank for Reconstruction and Development in London. That bank, set up to aid eastern Europe, began operations earlier this year.

The pay of IMF and World Bank staff is tax-free for foreigners although U.S. citizens pay tax.

IMF finds Romania moving fast on track to market economy

BUCHAREST (R) — Romania is moving fast towards building a market economy 20 months after the collapse of communist rule, a senior International Monetary Fund (IMF) official said.

"All policies are on track and the government's reform programme appears to be on the right track," IMF Assistant Director Mohsin Khan told Reuters.

The chief disappointment was the country's economic decline, and that was largely the result of external factors, he said.

He said the fund had already disbursed \$600 million out of a promised \$900 million financial package to back Romania's reform policies.

This included about \$350 million in oil import assistance which Romania got in March under the fund's so-called contingency and compensatory financing facility (CCFF).

The remaining \$300 million would be disbursed in separate tranches, Mr. Khan said.

Amman Financial Market weekly trading

Following is a summary of trading during last week and the previous week:

July 27-31 June 20-24

Daily average	JD 709,407	JD 1,123,498
Total volume	JD 3,547,033	JD 5,667,492
Total shares	2,649,899	2,961,907
No. Of contracts	3,838	3,983

Sectoral trading:

Industrial	JD 2,214,846	JD 3,680,258
Financial	(63.4%)	(66.9%)
Service	JD 616,155	JD 1,128,839
Insurance	(16.9%)	(13.4%)
Share price index	132.9	134.1
No. of companies	71	74
Price movement (rise)	17	49
(Decline)	43	15
(Stable)	11	10

Overall, 43,014 businesses failed in the first six months, Dun-and-Bradstreet said, up 50 per cent from 28,669 in the first half of 1990.

The biggest increase was among transportation and utility companies, where failures increased 54 per cent to 1,894.

Failures in the service sector grew 51 per cent, while the number of failing manufacturers rose 36.5 per cent, the business information company said in a survey.

"Business failures continued to climb across the U.S. during the first half of the year, particularly along the east and west coasts," said Joseph Duncan, Dun's corporate economist. But he said the rate of increase has slowed, with the number of failures in June only 31 per cent compared with 52 per cent in May.

For the purposes of the survey, Dun-and-Bradstreet said it defined failures as companies that went out of business owing money or sought bankruptcy court protection from creditors.

Overall, 43,014 businesses failed in the first six months, Dun-and-Bradstreet said, up 50 per cent from 28,669 in the first half of 1990.

The biggest increase was in New England, up 93.8 per cent to 2,675 failures. Bankruptcies in the middle Atlantic states were up 79 per cent, while failures in the Pacific states grew 75 per cent.

The healthiest region appeared to be the west south central states of Texas, Louisiana, Arkansas and Oklahoma, where the rate of failure was up only 12 per cent.

Business failures rose 50 per cent among finance, insurance and real estate companies. Failures were up 45 per cent in construction, 40 per cent in wholesale trade, 34 per cent in retail trade and 33 per cent in agriculture, forestry and fishing.

Finance, insurance and real estate failures increased the most in the middle Atlantic region, up 241 per cent, while manufacturing failures in New England climbed the most, up 69 per cent.

Dun-and-Bradstreet is a leading marketer of business information and related services.

BCCI scandal exposes global banking gap

WASHINGTON (R) — Federal Reserve (Fed) Vice Chairman David Mullins called for changes in the way international banks are regulated to prevent a repeat of the Bank of Credit and Commerce International (BCCI) scandal.

The number two man at the U.S. central bank said BCCI was able to slip through the regulatory net because no one country was responsible for overseeing all its operations.

"That's the major lesson," he said in an interview. "It's not sufficient to look at the pieces. You need someone taking responsibility for the entire entity." BCCI was indicted last month

on criminal charges for running what was called the "largest bank fraud in world financial history" and slapped with a record \$200 million fine by the Federal Reserve for violating U.S. banking laws.

The bank — founded in Pakistan in 1972 with operations in more than 70 countries — is alleged to have been tied to drug barons, terrorists, arms dealers and intelligence agencies, and to have robbed depositors of billions.

"We were quite fortunate," Mr. Mullins said. "We've seen no link to the global payments system."

Mr. Mullins said that every major international bank needs a primary supervisor and a monetary authority willing to act as a "lender of last resort" should it

face a financing squeeze.

Regulators should refuse to license any bank to operate in their country that doesn't meet those criteria, he added.

Because BCCI did not have a central bank backing it up, its collapse could have disrupted the multi-billion dollar payments network that links commercial banks worldwide and hurt the world economy.

"We are quite fortunate," Mr. Mullins said. "We've seen no link to the global payments system."

He said that BCCI was apparently set up in such a way so as to avoid coming under the purview of any one regulator.

The parent company of BCCI is a Luxembourg holding company which is not classified as a bank and thus is not subject to regulation there. Its banking operations are split between two main subsidiaries — in Luxembourg and the Cayman Islands.

"But if you don't go to those lengths, you're vulnerable," Mr. Mullins said.

He said he expects central bank representatives who meet regularly in Basle, Switzerland, to take action to close the loophole.

"We should be able to fix it," Mr. Mullins said.

He added that he was not aware of any other large bank in the same position as BCCI, not responsible in any one supervisor.

International banking regulators were aware years ago that

European airlines post disappointing half year results



Treuhand fires 1,400 managers in eastern Germany

BERLIN (R) — The state-run Treuhand privatisation agency has since unification fired 1,400 managers of eastern German industries under its control, many because of their past as Communist Party appointees or police spies.

"We expect many more dismissals," Treuhand President Birgit Breuel told a news conference.

The Treuhand has been delegated to sell off

Mandela urges government to quit or all talks will end

RIO DE JANEIRO (R) — African National Congress (ANC) leader Nelson Mandela said Thursday that the South African government could no longer be trusted and told it to step aside in favour of an interim government or face the end of talks with his movement.

"The only way to non-racial democracy in South Africa is that of an interim government. If (President F.W.) de Klerk and his regime are not prepared to accept this demand they must learn there can be no further discussion between them and ourselves," Mr. Mandela said. "We have tried to build mutual confidence between blacks and whites."

"But," he continued, "on the 19th, the day I left South Africa (for a foreign tour) it became clear that white-minority rule in South Africa was unable to act honourably."

Mr. Mandela was referring to a scandal in South Africa which broke when Mr. De Klerk's government admitted it had made secret payments to the Inkatha Movement, the ANC's main rival. The press disclosure of the payments have led to the worst crisis of Mr. De Klerk's two-year tenure.

Mr. Mandela said the episode showed that "the tradition of intrigue, deceit and false prop-

ositional arrangements to stop the government from misusing its power during talks.

"During the last 18 months we tried to urge the government to sit down with us and to search for a peaceful settlement of our affairs," Mr. Mandela said. "We have tried to build mutual confidence between blacks and whites."

"They undertook any investigation of an intelligence nature which emanated from (Inkatha) chief Mangosuthu Buthelezi's office," Mr. Dolincheck, interviewed in the Zambian capital Lusaka, told the newspaper.

An Inkatha spokesman, Musa Myeni, said Friday the newspaper report and Mr. Dolincheck's allegations were "a pack of lies."

Meanwhile South African newspaper said Friday that security services meddled in Zulu politics from the early 1970s to form a bulwark against the ANC.

The anti-apartheid Weekly Mail, which exposed the white government's covert funding of the Inkatha Freedom Party, said

agenda is something from which they (the South African government) can never extricate themselves."

For this reason, he added, the ANC was insisting on its demand for a temporary government made up of representatives from all parties to supervise South Africa's transition from apartheid state to non-racial democracy.

"The demand for an all-party congress and for an interim government had become a crucial matter in South Africa," Mr. Mandela told reporters. "Almost everything that ... we have mapped out for ourselves in the country is going to revolve around the demand for an interim government."

The Weekly Mail also alleged that Mr. De Klerk, whose reformist administration has been rocked by the Inkatha funding scandal, had not yet come clean on the extent of the government's support for anti-ANC groups.

Rebels, troops battle close to Sri Lankan camp

COLOMBO (R) — Sri Lankan troops and Tamil rebels were locked in fierce combat Friday near a northern army camp that has been under rebel siege for more than three weeks, a military spokesman said.

"We are trying to draw out as many terrorists as possible and kill them before going into the camp," he said.

About 150 rebels were killed and 24 soldiers wounded Thursday in fighting for the base at Elephant Pass, the spokesman said.

More than 150 government soldiers and an estimated 1,925 rebels have died in the three-week battle, the military said.

Military reports on the fighting and casualties could not be verified by independent or rebel sources.

About 800 soldiers have been pinned down in the camp by

rocket and small arms fire from the Liberation Tigers of Tamil Eelam (LTTE) guerrilla group, besieging the base since July 10.

An anti-aircraft weapon with a range of about 1,500 metres (5,000 feet) acquired by the rebels recently has prevented army helicopters from landing in the camp to rescue 55 wounded soldiers.

A victory at Elephant Pass, the biggest battle of the eight-year-old ethnic war, has become crucial for both sides. About 8,000 troops and 5,000 rebels, some only 14 years old, have been thrown into the fight.

The 8,000 seaborne troops who landed on a beach nine kilometres from the camp on July 14 have locked their way to the base in heavy fighting.

Ground troops using artillery and mortars have been supported by the navy and the air force.

12 die in fire at Australia handicapped people's home

SYDNEY (AP) — Twelve people died and 20 suffered minor injuries after a fire destroyed a residential care facility for the intellectually handicapped early Friday morning.

The Palm Grove Hostel outside Dungog, 200 kilometres north of Sydney, was completely destroyed by the overnight fire, officials said.

The New South Wales state coroner was trying to determine the cause of the blaze in the wooden, single-level building, which housed 40 men and women aged 34 to 89. A Dungog police spokesman said the facility was not considered a fire risk.

Eye-witnesses said those who died had little chance of escape.

"It was an absolute inferno when we got there and it obviously hadn't been alight terribly long," said Fran Crane, who lives nearby and awoke to the sound of voices calling for help.

"By the time the fire brigade came, there was little they could do but just get the blaze under control."

Mrs. Crane's husband helped

five people escape from the building before he was forced to abandon his rescue efforts because of thick smoke and flames.

"There were quite a few survivors outside already (when we arrived) and it was really the efforts of those people getting themselves and their friends out that meant there were as many survivors as there were," Mrs. Crane said.

Police said 20 people were taken to Dungog Hospital for treatment of smoke inhalation and minor burns. They were later released and were being held with the other eight survivors at a children's day care centre.

A spokesman for the Hunter area health service said the residence provided long-term care for people with dementia, which includes various forms of brain damage, and for chronic alcoholics.

"We're very shocked," said the spokesman, who was not named. "It was very well run. The people who ran it provided a really good home."

7, including driver, killed in U.S. Girl Scout bus crash

PALM SPRINGS, California (R) — Worried parents have poured into Palm Springs looking for their daughters after a school bus carrying Girl Scouts crashed, killing seven people and injuring 53.

Five of the girls, between the ages of 15 and 18, who were taking part in a two-week "California Dreamin'" expedition, have broken backs, but most are expected to walk again, an aide at Desert hospital said.

Seven others are also listed in critical condition in hospitals and 11 in fair condition. They sustained mainly broken bones, cuts and bruises when the bus plunged into a ravine while travelling on a mountain road Wednesday.

The dead included the bus driver, two adult counsellors and four Girl Scouts. Police said the bus, rated to carry 72 people, had passed state motor vehicle inspections. It might take up to six weeks to decide what caused the accident.

Emergency workers at the site piled knapsacks, souvenirs and clothes in separate files as the investigation continued. Initial reports said six Girl Scouts were

killed, but hospital authorities said later two of the dead were adult supervisors.

"The parents are clearly grief-stricken and they are frightened," Jovanna Wooden, executive director of the Spanish Trails Girl Scout Council, which organised the trip, said.

Ms. Wooden said some of the girls on the bus said the driver appeared to try to brake and could not.

"They said it seemed like he was trying and couldn't get it to slow down," Ms. Wooden said. "They said at the very last point someone yelled 'brace yourself.'"

The bus was second in a convoy of three buses taking 104 Girl Scouts, including four girls from Finland, on a hiking trip when it went off the narrow, winding road and tumbled 30 metres down a ravine strewn with boulders, snapping the bus from its chassis.

"It was like a bomb exploded," a policeman said.

A counselling centre was set up to comfort the survivors and help them overcome shock. The scouts had been selected from 600 applicants for the expedition.

DONG HOI, Vietnam (R) — About 70 Americans who chose to stay in Vietnam after the war ended in 1975 have been the source of mysterious sightings over the years of U.S. soldiers with a British colleague until the partner left just before Communist victory.

Mr. Gay stayed, and took on a job to smuggle some Central Intelligence Agency (CIA) staff out of the country by boat in April 1975. He was caught by the Communists and imprisoned.

Vietnam moved him to a prison at Bat Bat, west of Hanoi, and expelled him to September 1976, one source said.

Exhaustive research by U.S. Department of Defence experts in Washington, Bangkok and Indochina has revealed that most sightings of Americans reported by Vietnamese boat people turned out to be those stragglers.

"There were about 70 Americans in Vietnam when the war ended. They were not on military active duty," one source told Reuters recently.

When the Communists were nearing victory, he returned for his wife. He flew first to the Laotian capital of Vientiane and tried unsuccessfully to enter by

end of the fighting under bizarre circumstances.

One was Arlwin Gay, an American who ran a shrimp fishing business in then South Vietnam with a British colleague until the partner left just before Communist victory.

Mr. Gay stayed, and took on a job to smuggle some Central Intelligence Agency (CIA) staff out of the country by boat in April 1975. He was caught by the Communists and imprisoned.

Vietnam moved him to a prison at Bat Bat, west of Hanoi, and expelled him to September 1976, one source said.

John Lecomte was a young American soldier who had left his Vietnamese common-law wife behind when he finished his tour of duty and returned to the United States.

When the Communists were

21 reported dead as Yugoslav tanks hit Croatian village

ZAGREB (R) — At least 21 people were feared dead after Yugoslav army tanks pounded a border village after crossing into breakaway Croatia from Serbia, police and witnesses said.

A Croatian police spokesman said it was likely 15 policemen were killed after their police station was flattened in the village of Dalj to Thursday's attack.

A Yugoslav photographer said he saw six other bodies identified by local people as Serbs.

Dalj is at the centre of a flash-point area between Croatian security forces and Serbian guerrillas inside Croatia who are fighting the rebel republic's drive for independence.

Luxembourg's foreign minister said European military in-

tervention might be needed to stop Yugoslavia's partition.

"We have to try to stop it because partition is not a solution — because if it starts in Croatia, it will continue, so all the internal and external borders of Yugoslavia will be put in question," the minister, Jacques Poos, said on Britain's Channel Four news.

Mr. Poos is one of three European Community foreign ministers who was expected to travel to Yugoslavia in a fresh bid to avert a slide into civil war.

Some 200 people have died in fighting which erupted after declarations of independence by Croatia and neighbouring Slovenia on June 25.

The police spokesman, speaking from regional headquarters in

Sisak, said Dalj was still too dangerous for Croatian forces to enter and establish an exact casualty toll.

At least 20 tanks based in Serbia took part in attacks on Dalj and other towns in eastern Croatia, he said.

The involvement of the army infuriated the government in the Croatian capital, Zagreb, where the republic's president, Franjo Tudjman, admitted to parliament that the police and National Guard lacked the weapons to fight an all-out war.

Croatian leaders are convinced the Serbian-led army is helping the guerrillas who are seeking to establish territorial strongholds in Croatia.

COLUMN

Saudi prince's aide hangs 'help me' sign out hotel window

NEW YORK (AP) — The man who hung a plea for help written on a bedsheet out the window of the Waldorf-Astoria Hotel was identified as a Saudi prince's secretary, police said. Turki Alyajout, 36, of Riyadh, Saudi Arabia, told police he was tortured and abused last week in Saudi Arabia due to a personnel incident with Prince Khalid Ibn Talal, said a police document obtained by the Associated Press.

A police source, who spoke on the condition of anonymity, said the secretary had been tortured with electrical wires. Mr. Alyajout was taken to New York Hospital-Cornell Medical Centre burn unit for treatment of old burns to both of his forearms and left wrist, said police spokesman Sgt. Peter Berry. Mr. Alyajout arrived with the prince's entourage at John F. Kennedy International Airport. The secretary told police the prince was met by private security guards who kept Mr. Alyajout under constant watch and restricted his movements.

Mr. Alyajout came to police attention when they responded to a bedsheet bearing the words "help me" hung out the 33rd floor window of the Waldorf-Astoria. The secretary told police he had not been abused in New York and did not want to press charges for unlawful imprisonment.

Police spokesman Stanley Schrager said in a radio interview, "This is reality. There is no political element in this thing."

On July 17, the United States and the Philippines announced an agreement under which the Americans would give up Clark Air Base in September 1992 but keep Subic for another 10 years for \$203 million annually.

Both bases were heavily dam-

aged by eruptions of Mount Pinatubo in June. The volcano is 16 kilometres west of Clark.

But the agreement must be ratified by two-thirds of the 23-member Senate. Sixteen senators oppose the agreement, complaining that the compensation figure is too low and the 10-year extension too long.

This is not a threat," embassy spokesman Stanley Schrager said in a radio interview. "This is reality. There is no political element in this thing."

The current agreement expires on Sept. 16, and presidential Executive Secretary Franklin Drilon says the Americans must leave both bases if the Senate does not approve the extension by then.

"What gives the Philippines the status to some degree in the United States is that we are partners in this security relationship

and this relationship ensures U.S. support for continued stability in the Philippines," Mr. Schrager said.

In a briefing for Philippine journalists, Deputy Assistant Secretary of State Kenneth Quinn said Thursday the United States would vacate Subic as soon as possible if the Senate rejects the treaty.

"President George Bush and Secretary (James) Baker are not going to be vengeful," the newspaper Malaya quoted Mr. Quinn as saying. "But obviously our withdrawal will have some effect ... there are things that we don't have to do" to help the Philippines.

Art stolen from French cathedral

PARIS (R) — Thieves have stolen some of the world's most beautiful medieval enamels from the 13th-century cathedral at Autun in central France, the city mayor said Thursday. Police believe the thieves hid in the Saint-Etienne d'Autun Cathedral before it closed for the night and made off with 12th-century scrolls, illuminated manuscripts, statuettes, and gold and silver work.

"We have the most beautiful enamelwork of the whole medieval period," Mayor Jean-Pierre Soisson said. "Any of these things would be worth millions of francs (hundreds of thousands of dollars) at an auction."

He said the thieves would be unable to sell the treasures because they were registered as historical works of art and could easily be recognised. But he feared they could cut up the manuscripts and sell them page-by-page to art collectors. Border police were on alert and photographs of the treasures would be distributed around the world, Mayor Soisson said.

Hedy Lamarr arrested for shoplifting

CASSELBERRY, Florida (R) — Police have arrested actress Hedy Lamarr for allegedly shoplifting \$21.48 worth of personal care items from a drugstore.

"She was found in her possession several concealed personal care items that she had not paid for," said Casselberry police spokesman Patrick Simpson. "She did not have a receipt or proof of purchase of the items." It was Lamarr's second arrest for shoplifting. She was arrested in 1985 in Los Angeles but was later cleared of the charges. Police said a store clerk observed the 76-year-old Lamarr, a major Hollywood star in the 1930s and 1940s, stuffing the items in her purse. She handed them over calmly when asked to do so, Mr. Simpson said.

"She was very nice about it, but made no comments at all about this," he said. "Miss Lamarr told us she is living in the area because she is receiving daily treatments for some kind of eye ailment."

Dark-haired and sultry, Miss Lamarr was a sensation even before her 1937 arrival in Hollywood due to a nude scene in one of her first European films, *Estasy* (1933). The film featured naked Lamarr swimming and running through the woods, as well as suggestive closeups of her face during lovemaking.

Vito Baker, a soldier of Hawaiian descent, had a similar experience. He went AWOL in Danang and tried to pass himself off as Vietnamese when the war ended.

"He spent a lot of time out bunting or teaching English, but eventually got kicked out later on in 1975," one source said.

Paul Hortoo decided to remain after finishing a tour of duty at a mental hospital at Bien Hoa, near Saigon. He served sometimes as an interpreter and spent weekends in Saigon, renamed Ho Chi Minh City by the Communists.

He was eventually arrested by the Communist authorities, made to sign a confession that he was a CIA spy and deported.

American airmen.

U.S. officials said the photograph was a fake.

They say the fate of just 62 of the missing servicemen remains unresolved.

A U.S. office in Hanoi trying to determine what happened to those still missing declined to comment last week about the American stragglers.

Herman McDonald was one of several American soldiers